

CITY OF LINCOLN CITY

LINCOLN CITY COUNCIL AGENDA

MONDAY MAY 10, 2021 6:00 PM

6:00 PM - The Lincoln City Council for May 10, 2021 will be held via Zoom. The City Council Chambers will be open and the meeting will be broadcast live in the Council Chambers. It will also be live on Channel 4 and through streaming on the web at [www.lincolncity.org](http://www.lincolncity.org).

Public comments can be submitted to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org), by attending the City Council meeting, or by attending through Zoom invitation.

Public comments submitted by email to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org) will be summarized and entered into the record.

Citizens present in the Council Chambers will be given the opportunity to comment via Zoom. Laptops will be set up for those comments. Citizens present in the Council Chambers will be required wear a face covering and must observe social distancing. A member of the Information Technology staff will be present during the meeting to assist with any technical issues.

Citizens requesting to give public comment via Zoom must email [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org) no later than 12 pm on the meeting day. The request must include the person's name, the subject the person wishes to address and the Zoom screen name the person intends to use for the meeting. A Zoom invitation will be sent to the person requesting prior to the meeting. Persons who will give public comment via Zoom will be placed in a Zoom waiting room upon entering the meeting until the public comment portion of the meeting at which time they will be admitted into the meeting through Zoom.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, for a hearing impaired device, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to the City Recorder, 541-996-1203.

The Lincoln City Council reserves the right to add or delete items as needed, change the order of the agenda, and discuss any other business deemed necessary at the time of the meeting.

All information for this meeting is available at [www.lincolncity.org](http://www.lincolncity.org) under "Agenda, Packets & Video". This meeting will be televised on Channel 4. For additional rebroadcast times, please consult the Channel 4 guide on the hour.

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. PLEDGE OF ALLEGIANCE**
- D. CONSENT AGENDA**
  - 1. Regular Meeting – Minutes of Regular Meeting – April 26, 2021 6:00 PM
  - 2. Initiation of Amendments to LCMC 17.20 and LCMC 17.32
- E. COUNCIL DELIBERATIONS**
- F. COMMENTS FROM CITIZENS PRESENT ON AGENDA/NON-AGENDA ITEMS**
- G. PRESENTATIONS**
- H. PUBLIC HEARING / ORDINANCE**
  - 3. Set June 14, 2021 Public Hearing for Alternative Contracting Method for Ester Lee Pump Station Project
- I. PUBLIC HEARINGS / PUBLIC COMMENTS**
- J. ORDINANCES**
- K. RESOLUTIONS**
  - 1. RESOLUTION NO. 2021-19 A RESOLUTION OF THE CITY OF LINCOLN CITY ORDERING THE TEMPORARY CLOSURE OF SW 29th STREET, NE 36th DRIVE AND NE WEST DEVIL'S LAKE ROAD DURING CONSTRUCTION OF THE SW 29th STREET AND NE 36th DRIVE IMPROVEMENT PROJECT
  - 2. RESOLUTION NO. 2021-20 A RESOLUTION OF THE CITY OF LINCOLN CITY ORDERING THE TEMPORARY CLOSURE OF NE 14th STREET DURING CONSTRUCTION
  - 3. Resolution 2021-21: Lincoln County Enterprise Zone Redesignation
- L. SPECIAL ORDER OF BUSINESS**
  - 4. Construction Award for De-Watering Equipment
  - 5. Enterprise Zone - Redesignation
  - 6. City Electric Vehicle Charging Stations - Update + Next Steps
- M. CITY MANAGER/CITY ATTORNEY REPORTS**
- N. ACTIONS, IF ANY, BASED ON WORK SESSION OR EXECUTIVE SESSION**
- O. ADDITIONAL COMMENTS FROM CITIZENS PRESENT ON NON-AGENDA ITEMS**
- P. ANNOUNCEMENTS OR COMMENTS BY CITY COUNCIL**
- Q. ADJOURNMENT**

CITY OF LINCOLN CITY

CITY COUNCIL MINUTES OF MEETING

April 26, 2021, 6:00 PM

The final minutes for this meeting are supplemented by an electronic recording of the meeting, which may be viewed online at [www.lincolncity.org](http://www.lincolncity.org) under the tab "Agendas, Packets and Videos". The staff reports, resolutions, ordinances, and other documents related to this meeting are also available at the same location. This meeting is rebroadcast on Cable Channel 4. (See Channel 4 guide on the hour at <http://www2.lincolncity.org/program-guide/>).

APPROVED BY CITY COUNCIL

DATE:

**A. CALL TO ORDER**

Council President Casper called the meeting to order. Council President Casper advised the public that there are now three ways to provide public comment.

1. Comments can be made through email to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org);
2. Comments can be made via Zoom if a request is emailed to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org) by 12 PM on the meeting day;
3. Comments can be made in person at the Council Chambers (COVID-19 precautions are taken).

**B. ROLL CALL**

| Attendee Name      | Title            | Status  | Arrived |
|--------------------|------------------|---------|---------|
| Judy Casper        | Councilor Ward 3 | Present | 6:00 PM |
| Riley Hoagland     | Councilor Ward 2 | Present | 6:00 PM |
| Rick Mark          | Councilor Ward 3 | Present | 6:00 PM |
| Mitch Parsons      | Councilor Ward 1 | Present | 6:00 PM |
| Anne Marie Skinner | Councilor Ward 2 | Present | 6:00 PM |
| Vacant             | Councilor Ward 1 |         |         |
| Vacant             | Mayor            |         |         |

Staff Present: Lila Bradley, Interim City Manager; Richard Appicello, City Attorney; Chief Palmer, Lincoln City Police Department; Stephanie Reid, City Engineer; Sungman "Simon" Kim, Planning and Community Development Director; Debbie Bridges, Finance Director; Tony LaSoya, I.T. Director; Jamie Young, City Recorder.

**C. PLEDGE OF ALLEGIANCE**

*Skipped due to the meeting being held remotely.*

*Councilor Casper added a correction; agenda item K2, the resolution number is 2021-17.*

**D. CONSENT AGENDA****1. Regular Meeting – Minutes of Regular Meeting – April 12, 2021, 6:00 PM**

|                  |  |
|------------------|--|
| <b>MOTION:</b>   | <b>Motion to Approve City Council - Regular Meeting - Apr 12, 2021, with Corrections</b> |
| <b>MOVER:</b>    | <b>Mitch Parsons, Councilor Ward 1</b>   |
| <b>SECONDER:</b> | <b>Rick Mark, Councilor Ward 3</b>   |
| <b>AYES:</b>     | Casper, Hoagland, Mark, Parsons, Skinner   |
| <b>RESULT:</b>   | <b>Passed</b>  |

**E. COUNCIL DELIBERATIONS****F. COMMENTS FROM CITIZENS PRESENT ON AGENDA/NON-AGENDA ITEMS****2. Public Comments**

*Ms. Bradley said there were two public comments; Suzan Lindstrom, regarding beach accesses that were included in the agenda, and Susan Wahlke regarding the open Council seat and asking to wait until after the election to select.*

*Suzan Lindstrom spoke regarding the report she submitted on the beach accesses.*

**G. PRESENTATIONS****3. Devils Lake South End Canals**

*Ms. Bradley introduced Stephanie Reid and announced that she is the interim Public Works Director. Ms. Reid spoke about the Devils Lake South-end canals and showed historical photos. Ms. Reid showed the area that will be dredged by the Devils Lake Water Improvement District. Councilor Mark asked if the lake historically at a high level and who decides the level. Ms. Bradley said that historically the canal has always had issues with flooding with large back-to-back storms. Ms. Bradley said that the people that live there are aware of their surroundings and plan accordingly. Ms. Reid said that the level is regulated by Devils Lake Water Improvement District. Ms. Bradley said that there will be a joint meeting with the Devils Lake Water Improvement District Board and they can answer some of these questions. Councilor Hoagland asked if the weir could be removed before the event who will hold Devils Lake Water Improvement accountable. Ms. Bradley stated the weirs are not in place during the wintertime, only a few months during the summer. Councilor Hoagland then asked for confirmation that the flooding due to the sand. Councilor Hoagland asked why the canal split between the City and County on the East/West boundary. Councilor Hoagland also asked if there were any plans to use SE 3rd Street as a kayak assessable area. Both Ms. Reid and Ms. Bradley stated there was not a plan currently, but Ms. Bradley will check the Parks Master Plan. Councilor Skinner said she was interested in asking staff to gather a cost estimate for a restoration plan for future budgeting. Councilor Skinner also mentioned that we should not be accepting any property from the County unless it is completely maintained or the*

*funds will be provided to maintain the property. Council gave unanimous consent to direct staff to gather a cost estimate for wetland restoration. Ms. Bradley said there is an upcoming joint meeting with the County on June 9th at 5:30 PM and could be addressed there.*

**4. Motion to Deny Request for Change of Use of City Right-of-way NW 5th Court**

*Jeremy Cogdill, the Project Architect, spoke about his project at 515 NW Inlet Ave and changing the use of right-of-way at NW 5th Court to pedestrian-only. Councilor Skinner asked if both parking lots have access to NW Inlet Ave. Mr. Cogdill confirmed that the only vehicular entry is at the current Best Western parking lot.*

**H. PUBLIC HEARING / ORDINANCE**

**I. PUBLIC HEARINGS / PUBLIC COMMENTS**

**J. ORDINANCES**

**K. RESOLUTIONS**

- 1. RESOLUTION NO. 2021-15 A RESOLUTION OF THE CITY OF LINCOLN CITY AUTHORIZING AND ESTABLISHING THE FORMATION OF THE "NE 14TH STREET LOW-PRESSURE SEWER LOCAL IMPROVEMENT DISTRICT" AND ORDERING THE CONSTRUCTION OF IMPROVEMENTS, CONSISTING OF LOW-PRESSURE SANITARY SEWER FACILITIES AND RELATED APPURTENANCES AND AUTHORIZING THE CITY TO BORROW MONEY AND ISSUE AND SELL NOTES FOR THE PURPOSE OF PROVIDING FOR THE ACTUAL COST OF THE LOCAL IMPROVEMENT.

|                  |   |
|------------------|---|
| <b>MOTION:</b>   | <b>Motion to Approve Resolution 2021-15 (14th Street LID formation)</b> |
| <b>MOVER:</b>    | <b>Anne Marie Skinner, Councilor Ward 2</b>                             |
| <b>SECONDER:</b> | <b>Riley Hoagland, Councilor Ward 2</b>                                 |
| <b>AYES:</b>     | Casper, Hoagland, Mark, Parsons, Skinner                                |
| <b>RESULT:</b>   | <b>Passed via Voice Vote</b>  |

- 2. A RESOLUTION AUTHORIZING AND DIRECTING BUDGET TRANSFERS FOR THE CITY OF LINCOLN CITY, OREGON IN THE 2020-2021 FISCAL YEAR BUDGET

|                  |   |
|------------------|---|
| <b>MOTION:</b>   | <b>Motion to Approve Resolution 2021-17; Budget Transfer for an October 2020 Settlement of \$150,000.</b> |
| <b>MOVER:</b>    | <b>Rick Mark, Councilor Ward 3</b>  |
| <b>SECONDER:</b> | <b>Anne Marie Skinner, Councilor Ward 2</b>   |
| <b>AYES:</b>     | Casper, Hoagland, Mark, Parsons, Skinner  |
| <b>RESULT:</b>   | <b>Passed by Roll Call Vote</b>   |

- 3.

|                  |  |
|------------------|--|
| <b>MOTION:</b>   | <b>Motion to Approve Resolution 2021-17 as Written</b> |
| <b>MOVER:</b>    | <b>Mitch Parsons, Councilor Ward 1</b>                 |
| <b>SECONDER:</b> | <b>Riley Hoagland, Councilor Ward 2</b>                |
| <b>AYES:</b>     | Casper, Hoagland, Parsons                              |
| <b>NAYS:</b>     | Mark, Skinner  |
| <b>RESULT:</b>   | <b>Passed by Roll Call Vote</b>                        |

4. RESOLUTION NO. 2021-18 A RESOLUTION OF THE CITY OF LINCOLN CITY, CONCERNING AUTHORIZATION FOR SPECIFIC PROPERTIES TO ENGAGE IN EMERGENCY OPERATIONS USES (EMERGENCY HOUSING) TO BENEFIT DISPLACED LINCOLN COUNTY RESIDENTS DUE TO THE ECHO MOUNTAIN COMPLEX FIRE, AMENDING RESOLUTION 2020-22, AS AMENDED

**MOTION:** Motion to Approve Resolution 2021-18 Amending Authorized Emergency Operations Uses Resolutions  
**MOVER:** Anne Marie Skinner, Councilor Ward 2  
**SECONDER:** Mitch Parsons, Councilor Ward 1  
**AYES:** Casper, Hoagland, Mark, Parsons, Skinner  
**RESULT:** Passed by Roll Call Vote

#### L. SPECIAL ORDER OF BUSINESS

5. Construction Award for NE 14th Street Sidewalk and Sewer LID Project

**MOTION:** Motion to Award NE 14th St. Sidewalk and Sewer LID Project to K&E Excavating for \$874,452.  
**MOVER:** Anne Marie Skinner, Councilor Ward 2  
**SECONDER:** Mitch Parsons, Councilor Ward 1  
**AYES:** Casper, Hoagland, Mark, Parsons, Skinner  
**RESULT:** Passed by Roll Call Vote

6. NE 36th Dr. Overlay and SW 29th Street Improvement Project Construction Award

**MOTION:** Motion to Award SW 29th Street Improvement and NE 36th Drive Project to Advanced Excavation Inc. for \$366,751 and Staff to Approve the Daytime Closure of 29th Street During Construction  
**MOVER:** Rick Mark, Councilor Ward 3  
**SECONDER:** Anne Marie Skinner, Councilor Ward 2  
**AYES:** Casper, Hoagland, Mark, Parsons, Skinner  
**RESULT:** Passed by Roll Call Vote

7. COVID-19 Update

*Ms. Bradley spoke about the resource list included in the agenda.*

#### M. CITY MANAGER/CITY ATTORNEY REPORTS

8. D River and Schooner Cr. Bridge Railings

*Ms. Bradley spoke about the railing on the two bridge projects. The project must be completed and any changes must be approved by ODOT. Ms. Reid said that they are trying to be done before July 1st.*

*Ms. Bradley thanked the Council for trusting her to be Interim City Manager. Ms. Bradley said there is a joint meeting with the Devils Lake Water Improvement District on July 19th at 4:30 PM. The third budget committee meeting is rescheduled to May 25th at 6 PM.*

*Ms. Bridges went over the schedule of Budget Committee Meetings; May 3rd, 5 PM for Urban Renewal and 6 PM for City Council. May 17th, 5 PM for Urban Renewal and 6 PM for City Council. May 25th, 5 PM for Urban Renewal and 6 PM for City Council. Ms. Bridges will send an email as well.*

**N. ACTIONS, IF ANY, BASED ON WORK SESSION OR EXECUTIVE SESSION****O. ADDITIONAL COMMENTS FROM CITIZENS PRESENT ON NON-AGENDA ITEMS****P. ANNOUNCEMENTS OR COMMENTS BY CITY COUNCIL**

*Councilor Hoagland shared a link for an Earth Day video on YouTube.*

*Councilor Parsons inquired about in-person meetings. Councilor Casper said maybe after we are out of extreme risk. Councilor Skinner said she is okay with the in-person meetings as long as everyone wears a mask and maintains six feet distance. Councilor Casper said it would depend on the reopening of City Hall as well. Ms. Bradley said that she is working on a reopening plan with Ken Murphy.*

*Councilor Skinner asked to see the fire hydrant maintenance plan, as well as the water and sewer line maintenance plan. Councilor Casper asked if having it online to view would be ok instead of a presentation, Councilor Skinner agreed. Ms. Bradley said that some are already online and will send links to Council.*

*Councilor Skinner asked that the solar speed signs remain NE 14th Street but be moved to a different location. Councilor Hoagland also asked the same for SE 3rd and adding an additional one-way only sign. Ms. Bradley will check into that.*

*Councilor Skinner also gave input about Lincoln City Municipal Code 17.20 and re-adding single-family residential as an allowed use. Unanimous consent to direct staff to come back with options.*

*Councilor Hoagland asked about churches using street signs to advertise. Ms. Bradley said the signs are in the Highway 101 right of way but will get information back to Council.*

*Councilor Skinner thought the MOA (Memorandum of Agreement) for the Senior Center would be done in April and asked for an updated timeline. Mr. Appicello said there was not an MOA; there was a motion to bring the Senior Center into compliance with the existing park regulations. The Senior Center was given a deadline of April 30th. Mr. Appicello will update Council on May 10th at the next meeting.*

*Councilor Hoagland asked if the polystyrene ban was in effect, Mr. Appicello did not remember the date by confirmed that there would be no citations for the first 90 days.*

**Q. ADJOURNMENT**

*Councilor Casper adjourned the meeting at 8:05 PM.*

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JUDY CASPER, COUNCIL PRESIDENT

ATTEST:

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JAMIE YOUNG, CITY RECORDER

## Council Communication

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### Initiation of Amendments to LCMC 17.20 and LCMC 17.32

|                 |                     |                        |                      |
|-----------------|---------------------|------------------------|----------------------|
| Meeting Date:   | May 10, 2021        | Primary Staff Contact: | Sungman Kim          |
| Department:     | Planning Department | E-Mail:                | SKim@lincolncity.org |
| Secondary Dept: | Administration      | Secondary Contacts:    |                      |
| Approval:       | Lila Bradley        | Estimated Time:        | 5 minutes            |

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#### Question:

Should the City Council initiate the attached amendments to LCMC 17.20 (*Multi-Unit Residential (R-M) Zone*) to correct nonconformity issues created by Ordinance 2020-10?

Should City Council initiate the attached amendments to LCMC 17.32 (*General Commercial (GC) Zone*) to facilitate conversion of motels / hotels to workforce housing?

#### Staff Recommendation:

Staff recommends Council initiate both requested amendments to LCMC Title 17.

#### Authority:

*LCMC 17.76.060 Type IV (Legislative).*

*LCMC 17.76.080 Initiation of an Application. (Type IV applications may be initiated by the City).*

*LCMC 17.77.130 Text Amendment.*

- A. Purpose. The text amendment process shall be used for legislative amendments to this title, Title 16, or the comprehensive plan. Such amendments are necessary to reflect changing community conditions, needs, and desires, to fulfill regional obligations, and to address changes in state law.*
- B. Procedure. Text amendments are subject to the Type IV procedure, as described in LCMC 17.76.060. However, the director is authorized to make typographical, grammatical and cross-referencing corrections as needed without initiating the text amendment process.*
- C. Submittal Requirements. Type IV application submittal requirements are set forth in LCMC 17.76.060.*

*D. Approval Criteria. In order to approve a text amendment, the review authority shall make findings of fact, based on evidence provided, that the following criteria are satisfied:*

- 1. The text amendment is consistent with relevant goals and policies of the comprehensive plan and any applicable adopted master plans; and*
- 2. The text amendment is consistent with relevant provisions of the Statewide Planning Goals, the Oregon Administrative Rules, and State statutes.*

*E. Appeal of a Decision. Refer to LCMC 17.76.180.*

*F. Expiration of a Decision. Text amendments are not subject to expiration.*

*G. Extension of a Decision. Text amendments are not subject to extension.*

## Background:

This communication presents two issues. One concerns the RM Zoning District, the other the GC Zoning District.

### RM District

Attached please find the October 16, 2020 memorandum from former Director Richard Townsend on some unintended consequences of Ordinance 2020-10 enacted on August 10, 2020 (previously emailed to Council).

During the April 26, 2021 Council meeting, Councilor Skinner raised the issue of the RM Zoning District amendment in 2020 and the removal of single family residential as a permitted use. Staff noted the above-referenced memorandum from Mr. Townsend had already been prepared, and Council by unanimous consent directed staff to revisit the 2020 amendment and present some options.

In short, legal and planning staff concur in the analysis and recommendations from former Director Townsend, particularly recommendations 1 and 2. Staff recommends slight adjustment (*size to 8000 square feet and change in the referenced date to the effective date of Ordinance 2020-10 – September 9, 2020*) based on the following:

Currently, the R-M zone occupies total 1,153 lots on 347.1 acres. Among the lots, there are 793 lots (69%) smaller than 8,000 square feet on 85 acres (24%). Further, 104 lots are smaller than 2,500 square feet, and it only occupies 3.5 acres. Therefore, it is reasonable to add to permitted uses:

**“Single-family dwelling unit, if located on a lawfully-created lot with an area of 8,000 square feet or less that existed on September 9, 2020”**

The remainder of the RM 262.1-acres is fully available for multi-unit development.

It is also reasonable to allow existing single-family dwelling units as a permitted (conforming) use by adding:

**“Single-family dwelling unit, if existing on or if a building permit was applied for before September 9, 2020, and if developed under the standards set forth for single-family dwelling units within the R-1 zone.”**

| R-M Zone |              |        |          | Percentage |      |
|----------|--------------|--------|----------|------------|------|
| Count:   | 1,153        | lots   |          |            | 100% |
| Minimum: | 65.4         | sq.ft. | 0.0015   | acres      |      |
| Maximum: | 710,105.6    | sq.ft. | 16.3018  | acres      |      |
| Sum:     | 15,120,682.8 | sq.ft. | 347.1231 | acres      | 100% |
| Mean:    | 13,114.2     | sq.ft. | 0.3011   | acres      |      |
| Std:     | 37,151.3     | sq.ft. | 0.8529   | acres      |      |

Lots Smaller than 8,000 sq.ft.

|          |             |        |         |       |     |
|----------|-------------|--------|---------|-------|-----|
| Count:   | 793         | lots   |         |       | 69% |
| Minimum: | 65.4        | sq.ft. | 0.0015  | acres |     |
| Maximum: | 7,995.6     | sq.ft. | 0.1836  | acres |     |
| Sum:     | 3,702,977.0 | sq.ft. | 85.0087 | acres | 24% |
| Mean:    | 4,669.6     | sq.ft. | 0.1072  | acres |     |
| Std:     | 1,654.2     | sq.ft. | 0.0380  | acres |     |

Lots Smaller than 2,500 sq.ft.

|          |           |        |        |       |    |
|----------|-----------|--------|--------|-------|----|
| Count:   | 104       | lots   |        |       | 9% |
| Minimum: | 65.4      | sq.ft. | 0.0015 | acres |    |
| Maximum: | 2,492.7   | sq.ft. | 0.0572 | acres |    |
| Sum:     | 153,315.0 | sq.ft. | 3.5196 | acres | 1% |
| Mean:    | 1,474.2   | sq.ft. | 0.0338 | acres |    |
| Std:     | 540.5     | sq.ft. | 0.0124 | acres |    |

As noted above, this communication presents two issues. The second issue concerns conversion of hotels and motels in the General Commercial District.

### GC District

Also on the April 26, 2021 Agenda was a Resolution to add two additional hotels to the list of emergency operations uses (extended stay hotels for fire victims). In response to questioning, the attorney noted that there are several bills in the legislature to allow conversion of hotels to shelters and housing. [e.g. HB3261 and HB2006].

As your new Planning Director, I am suggesting that we may want to get ahead of the issue and amend our GC Chapter to expressly authorize conversion, especially when the conversion is for workforce housing purposes. While the restoration of single family to the RM zone (above) may be viewed by DLCD as contrary to the purposes of Goal 10, to provide the full range of housing types / diverse housing, the allowance for conversion to multi-family workforce in the GC zone may be seen as an offset to that restoration.

LCMC 17.32.020 (General Commercial (GC) Zone) currently permitted uses that include some residential: Single-family, duplex, manufactured homes, and tiny homes. This zone does not list: "multi-family" and/or "residential condominium" as permitted. An

amendment to add a permitted use of : **Conversion of Existing Buildings to Workforce Housing**” should be considered .

Draft text only below

### **LCMC 17.20 Multiple-Unit Residential (R-M) Zone**

#### **17.20.020 Permitted uses.**

- A. Attached single-unit dwellings;
- B. Attached single-unit dwellings developments;
- C. Community or market gardens not larger than 12,500 square feet, subject to the provisions of LCMC 17.80.080;
- D. Cottage housing developments, subject to the provisions of LCMC 17.80.120;
- E. Duplexes;
- F. Multi-unit dwellings;
- G. Residential facilities;
- H. Residential homes;
- I. Structures used temporarily on the site and only during construction of a permitted or conditional use for which a building permit has been issued, but not exceeding six months;
- J. Tiny house developments, subject to the provisions of LCMC 17.80.040 (C);
- K. Transportation uses. (Ord. 2020-10 § 1)

**L. Single-family dwelling unit, if located on a lawfully-created lot with an area of 8,000 square feet or less that existed on September 9, 2020.**

**M. Single-family dwelling unit, if existing on or if a building permit was applied for before September 9, 2020, and if developed under the standards set forth for single-family dwelling units within the R-1 zone.**

### **LCMC 17.32 General Commercial (GC) Zone**

#### **17.32.020 Uses permitted.**

In a GC zone, the following are given as examples of those uses that meet the intent of this zone:

- A. Convenience service/retail use;
- B. Eating and drinking establishments, excluding drive-in restaurants;
- C. Carpet, rug, fabric and interior decorating shops including reupholstering, making of draperies and other similar articles which are conducted as part of, and secondary to, a retail sales operation;
- D. Sporting goods stores;
- E. Motels and resorts;
- F. Building supply stores;

- G. Public facilities;
- H. Garden supplies and nursery;
- I. Community meeting buildings, fraternal or social organizations;
- J. Automotive parts and accessories;
- K. Printing;
- L. Carpenter, plumbing, cabinet, upholstering and sheet metal shops, if conducted wholly within an enclosed building;
- M. Appliance sales and service;
- N. Single-family dwellings and duplexes, if developed under the standards in the R-1 zone;
- O. Mini-warehouses, if existing on or if site plan approval was applied for before June 9, 2008. Mini-warehouses in existence on or applied for before June 9, 2008, may be expanded within the boundaries of the lot or lots they occupied as of that date, subject to the standards applicable as of the date of application for expansion;
- P. Time-share units, when developed under the standards of LCMC 17.28.050;
- Q. Bed and breakfast accommodations;
- R. Professional and business offices;
- S. Art gallery and studio;
- T. Physical therapy;
- U. Equipment rental establishments;
- V. Physical fitness center;
- W. Manufactured homes when developed in accordance with the standards specified in LCMC 17.28.100 (C) and 17.52.250;
- X. Veterinary clinics;
- Y. Community gardens and market gardens not larger than 12,500 square feet, in accordance with the standards of LCMC 17.80.080;
- Z. Mixed-use development;
- AA. Essential emergency communications, early warning and associated emergency facilities;
- BB. Retail marijuana facilities, subject to the provisions of LCMC 17.80.130;
- CC. Indoor theaters;
- DD. Transportation uses, defined in Chapter 17.08 LCMC;
- EE. Tiny house developments, subject to the provisions of LCMC 17.80.040 (C);
- FF. Four-flat dwellings, subject to the provisions of LCMC 17.80.140;
- GG. Places of worship, and accessory uses set forth in LCMC 17.80.160 (B);
- HH. Mobile food units and mobile food pods, subject to the provisions of LCMC 17.80.170.

## **II. Conversion of Existing Buildings to Workforce Housing.**

**Council Options:**

The City Council may:

1. Initiate proposed amendments to LCMC 17.20 and/or
2. Initiate proposed amendments to LCMC 17.32;
3. Do not initiate the proposed amendments
4. Continue discussion on the proposed amendments to May 24, 2021.

**Potential Motions:**

*Council:*

1. Motion to initiate amendments to Title 17, including consideration of amendments proposed to both LCMC Chapter 17.20 and LCMC Chapter 17.32. (*one or the other or both*)
2. Motion to continue consideration of the proposed amendments to a date certain \_\_\_\_\_ [May 24, 2021]

**Attachments:**

Townsend's Memo (PDF)

**MEMORANDUM**

To: Ron Chandler, Richard Appicello  
From: Richard Townsend  
Date: October 16, 2020  
Re: R-M Zone non-conforming single-unit dwellings

Ordinance 2020-10 amended the list of allowed uses in the R-M zone to eliminate single-unit dwellings. The purpose of this amendment, to preserve R-M lands for multi-unit development, is laudable. This amendment, however, had the side-effect of rendering more than 600 existing single-unit dwellings non-conforming. This has serious implications for financing and selling these properties. Purchasers are reluctant to buy into non-conforming situations, and lenders are especially reluctant to take non-conformities as security for loans for purchasing or refinancing. This is because in most circumstances, a non-conforming structure or use that has been substantially damaged or destroyed is required to come into conformance with the code.

The municipal code does have a safety valve with respect to non-conforming single-unit dwellings that are substantially damaged or destroyed. LCMC 17.64.010.E. contains a process for allowing such a dwelling to be rebuilt, but only to its former height and footprint. No enlargement is allowed. The process involves the homeowner filing an application with the Planning & Community Development Department. The Planning & Community Development director then reviews the application and makes an administrative decision. A decision to approve an application to restore a nonconforming structure must include findings of all the following:

1. The damage was not intentionally caused by the property owner;
2. The restoration does not increase the degree of nonconformity or add new nonconformity, and restored structures conform to requirements of the code;
3. Restoration is according to plans approved by the fire marshal, building inspector and floodplain manager, and, if required, in conformance with a geo-technical report;
4. The restored structure or use does not encroach unlawfully on adjacent properties;

5. The restoration complies with reasonable conditions imposed by the city on a building permit in order to mitigate any new or increased adverse impact on adjacent property.

This allowance for rebuilding and the process involved provide limited reassurance to buyers and lenders. They like a clear and unambiguous ability to replace a building they are looking to buy or lend on.

To correct this problem there are a number of approaches. I will describe a few in the following paragraphs. I do not include merely undoing the change, because the change was needed (it just had a major fault in how it was set up). I present them in declining order of preferability in my estimation.

### **1. Allow single-unit dwellings on existing small lots**

One approach would be to amend the R-M zone to allow single-unit dwellings on existing small lots. Substantial areas of the R-M zone are highly parcelized with small lots, most of which have been built on. Oceanlake east of the highway is a good example. Small lots are unlikely to be assembled for multi-unit development since most of them already host existing dwellings. Allowing single-unit dwellings on existing small lots would address the vast majority of the newly-created non-conformities. An amendment to the list of permitted uses in the R-M zone could be as simple as this:

Single-unit dwelling, if located on a lawfully-created lot with an area of 10,000 square feet or less that existed on January 1, 2021.

This approach would allow the existing single-unit dwellings to continue as permitted uses, and also would allow construction of new single-unit dwellings on existing in-fill lots. The 10,000 square foot size is arbitrary and conceivably could be smaller, such as 7,500 or 6,000 square feet. Some analysis would be useful to see what size might be best.

### **2. Allow existing single-unit dwellings as permitted uses**

In an effort to prevent prime commercial lands in the GC zone from being used for mini-warehouse developments that did not contribute to a lively commercial environment, in 2008 the city adopted a code amendment that eliminated mini-warehouses as an allowed use in the GC zone. But since there were some existing mini-warehouse developments in the GC zone, and an outright ban would render them non-conforming, the amendment designated existing mini-warehouse developments as conforming uses.

In the list of permitted uses in the GC zone (LCMC 17.32.020), this language was inserted:

o. Mini-warehouses, if existing on or if site plan approval was applied for before June 9, 2008. Mini-warehouses in existence on or applied for before June 9, 2008, may be expanded within the boundaries of the lot or lots they occupied as of that date, subject to the standards applicable as of the date of application for expansion.

Similar language could be inserted into the list of permitted uses for the RM zone (LCMC 17.20.020), such as this:

Single-unit dwellings, if existing on or if a building permit was applied for before January 1, 2021, and if developed under the standards set forth for single-unit dwellings within the R-1 zone (except for the building coverage standards, which shall be as set out in LCMC [17.20.060\(D\)](#)).

This approach does not address undeveloped in-fill lots, but Ordinance 2020-10 allows duplexes on lots as small as 2,500 square feet, so existing infill lots still have a reasonable development alternative.

### **3. Rezone some R-M areas to R-1**

A third option is to rezone those areas of the R-M zone that are highly parcelized and intensively developed with single-unit dwellings into the R-1 zone. I took a quick look at the R-M zoned areas in the city at identified 550 lots, with a total area of 104 acres, that logically could be rezoned to R-1. They are shown on the maps accompanying this memo.

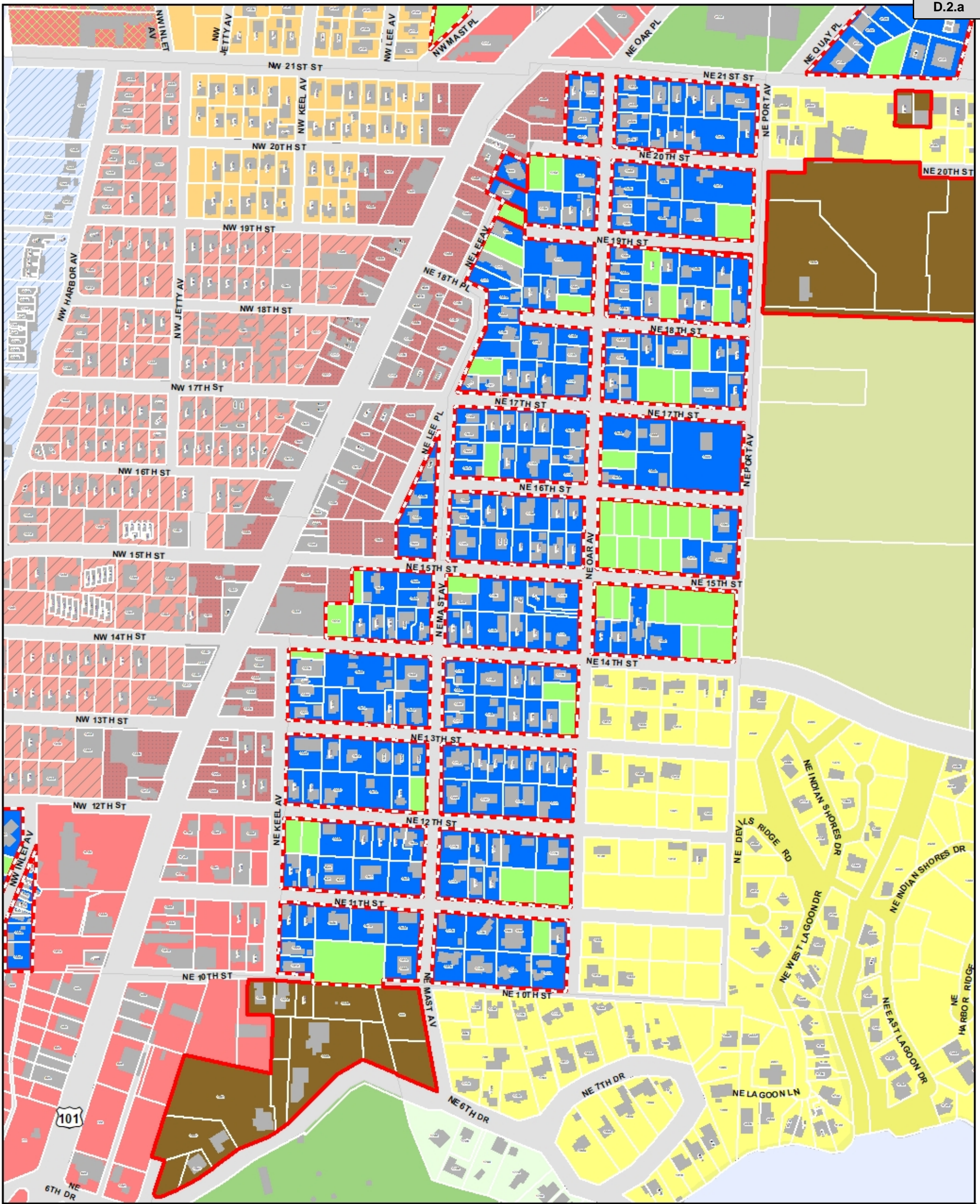
Such rezoning would have little to no effect on the amount of buildable land in the R-M zone for multi-unit dwellings. I believe the areas shown as rezoning candidates were excluded from the buildable lands inventory since they already were developed. The buildable land inventory showed a need for up to 47.1 acres of land for multi-unit and town-house development, and a supply of 83.5 acres, again net of the lands already built on.



### Multi-Family Zones by use

October 2020

|                                |         |         |        |        |            |
|--------------------------------|---------|---------|--------|--------|------------|
| Proposed Rezone: 104 ac        | R-1-10  | R-M     | NP-NBD | OP-MSH | P          |
| 530 Built Lots : 83 ac +/-     | R-1-7.5 | R-R     | NP-NCR | P-C    | County P-F |
| 120 Unbuilt Lots : 17.0 ac +/- | R-1-5   | VR      | OP-IM  | P-I    | M-W        |
| 4 Water : 2.0 ac +/-           | R-1-RE  | R-C     | TVC    | OP-OF  |            |
|                                | R-1     | NP-NBMU | G-C    | OS     |            |

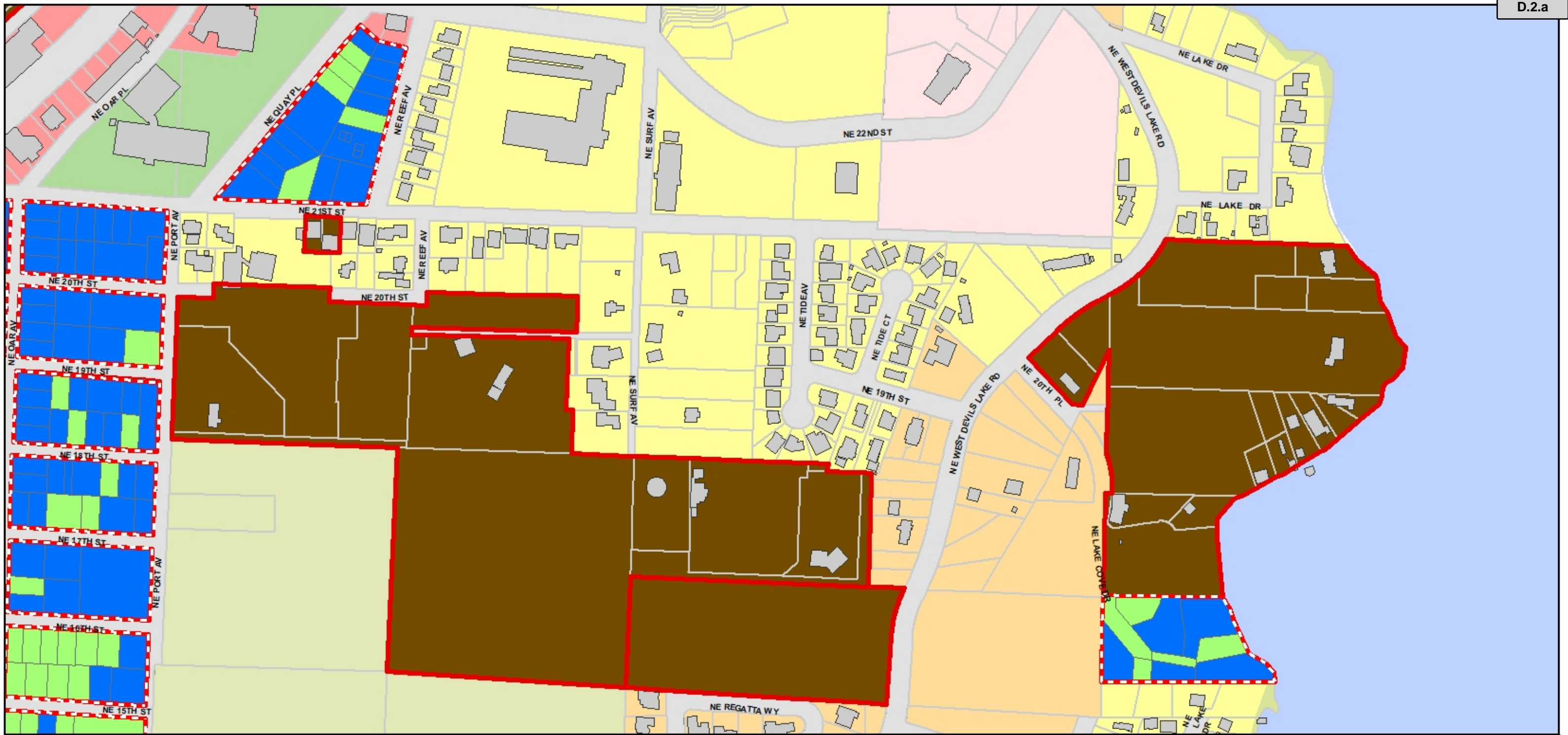


# Multi-Family Zones by use

October 2020

|  |         |         |        |            |
|--|---------|---------|--------|------------|
| Proposed Rezone: 104 ac  | R-1-10  | R-R     | OP-IM  | OP-OF      |
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| 4 Water : 2.0 ac +/-   | R-1-RE  | NP-NBMU | OP-MSH | County P-F |
| ** The exact number of built vs unbuilt lots is not exact as building footprints and situs addresses can be deceiving. | R-1     | NP-NBD  | P-C    | M-W        |
|  | R-M     | NP-NCR  | P-I    |            |

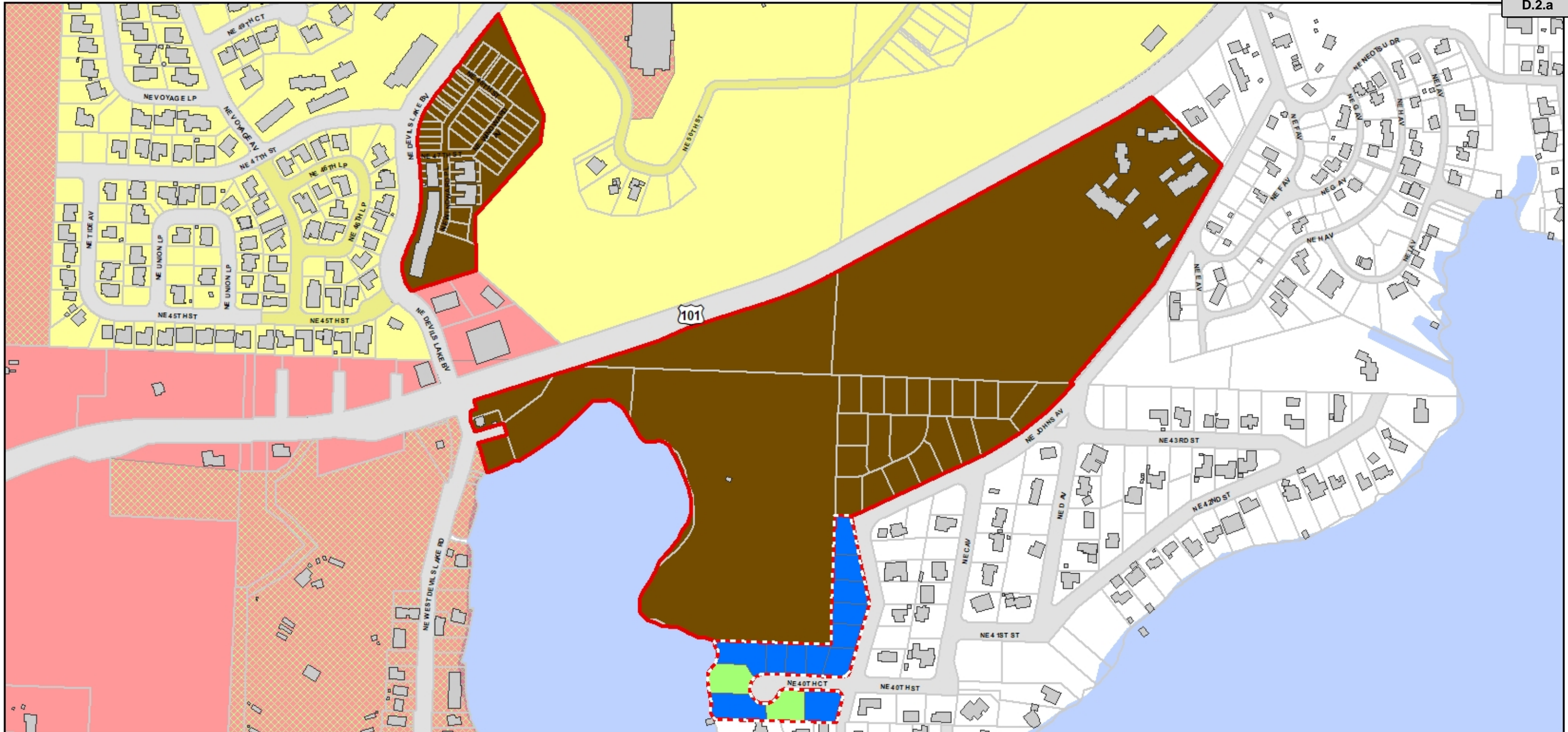




### Multi-Family Zones by use

October 2020

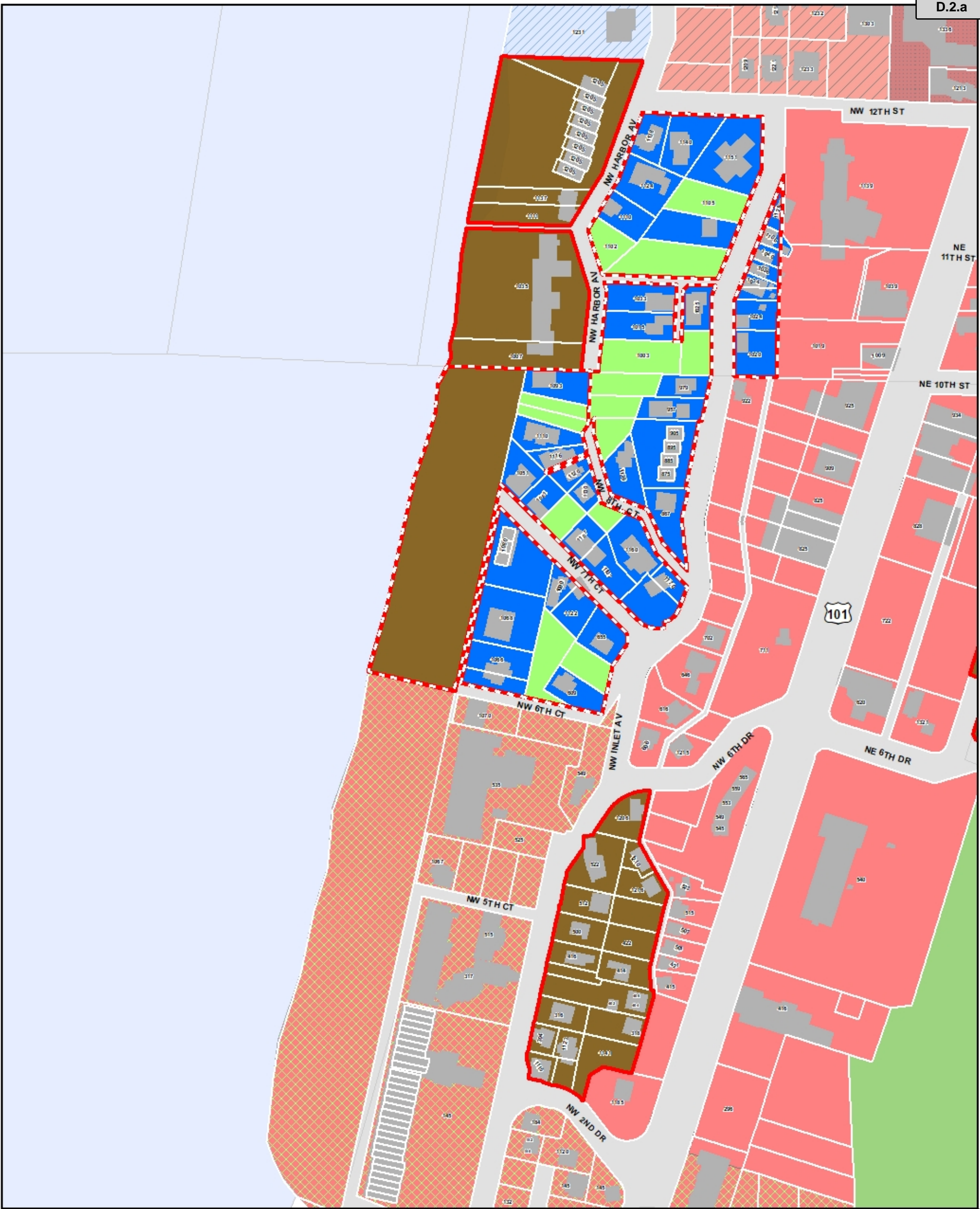
|                                |         |         |        |        |            |
|--------------------------------|---------|---------|--------|--------|------------|
| Proposed Rezone: 104 ac        | R-1-10  | R-M     | NP-NBD | OP-MSH | P          |
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| 4 Water : 2.0 ac +/-           | R-1-RE  | R-C     | TVC    | OP-OF  | OS         |
|                                | R-1     | NP-NBMU | G-C    |        |            |



### Multi-Family Zones by use


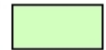



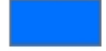











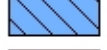

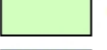







October 2020

|                                |         |         |        |        |            |
|--------------------------------|---------|---------|--------|--------|------------|
| Proposed Rezone: 104 ac        | R-1-10  | R-M     | NP-NBD | OP-MSH | P          |
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|                                | R-1     | NP-NBMU | G-C    | OS     |            |

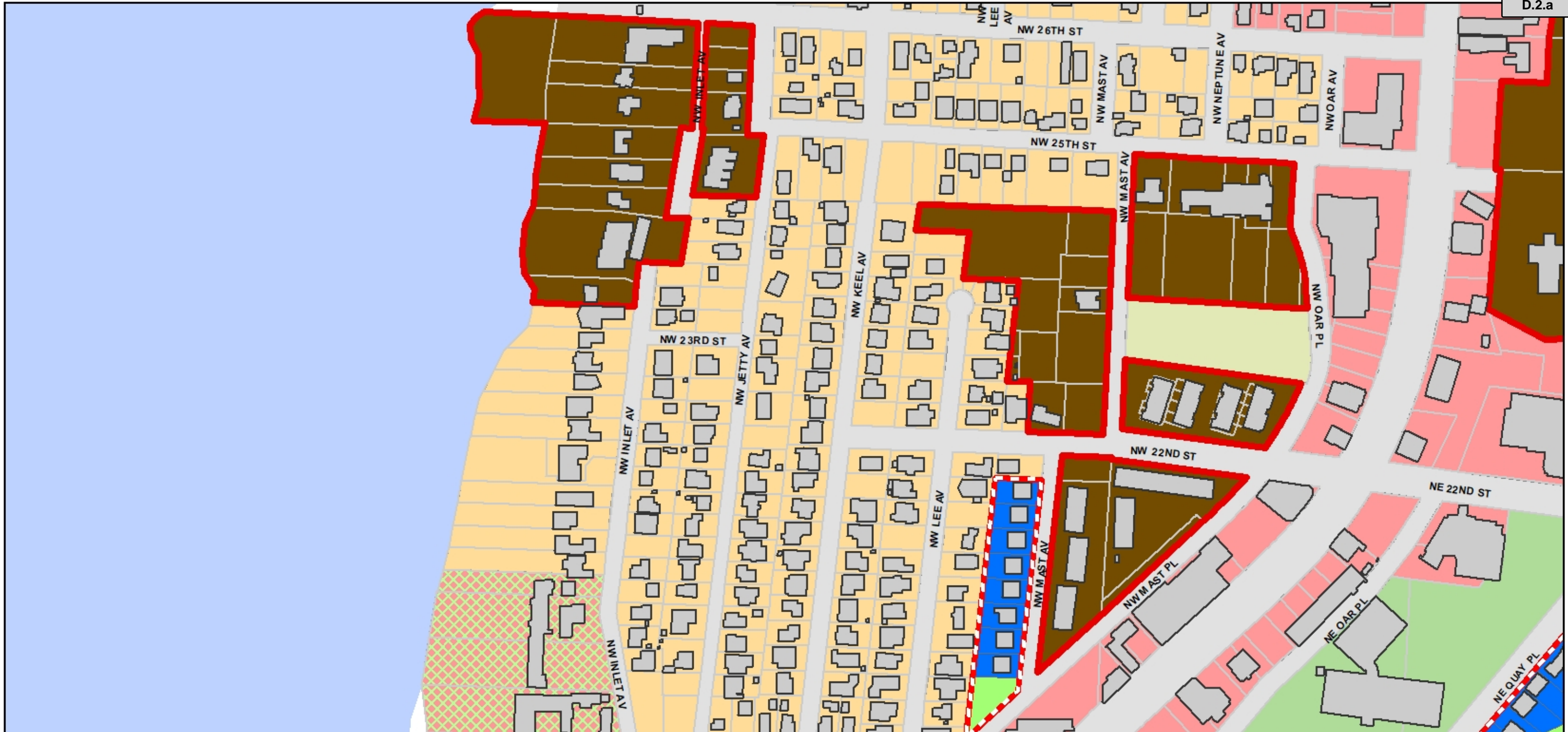


## Lincoln City Multi-Family Zones by use

October 2020

|  |   |  |  |  |
|--|---|--|--|--|
|  Proposed Rezone: 104 ac        |  R-1-10  |  R-R     |  OP-IM  |  OP-OF      |
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|  |  R-1     |  NP-NBD  |  P-C    |  M-W        |
|  |  R-M     |  NP-NCR  |  P-I    |  |

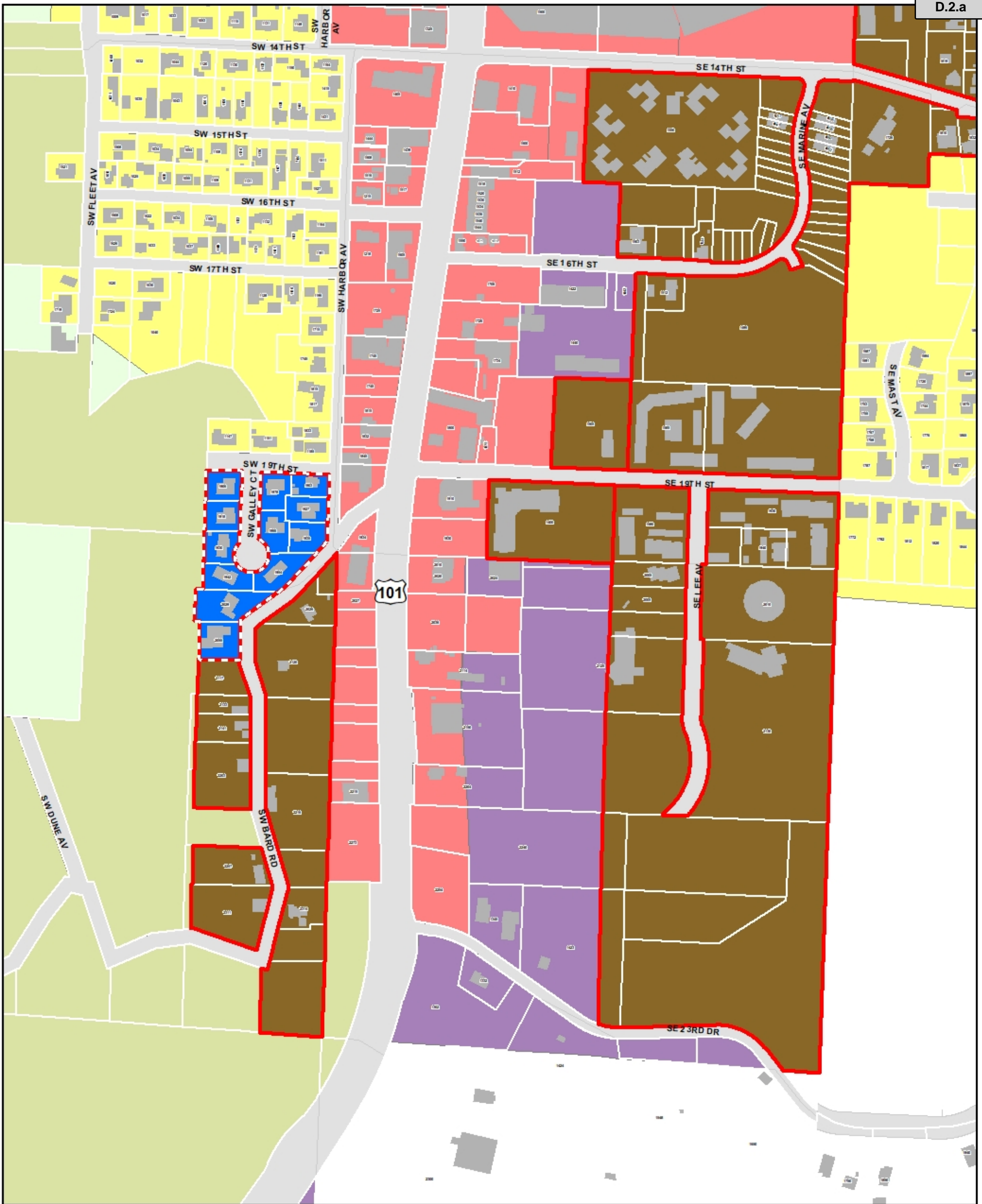
\*\* The exact number of built vs unbuilt lots is not exact as building footprints and situs addresses can be deceiving.



### Multi-Family Zones by use

October 2020

|                                |         |         |        |        |            |
|--------------------------------|---------|---------|--------|--------|------------|
| Proposed Rezone: 104 ac        | R-1-10  | R-M     | NP-NBD | OP-MSH | P          |
| 538 Built Lots : 84 ac +/-     | R-1-7.5 | R-R     | NP-NCR | P-C    | County P-F |
| 112 Unbuilt Lots : 16.0 ac +/- | R-1-5   | VR      | OP-IM  | P-I    | M-W        |
| 4 Water : 2.0 ac +/-           | R-1-RE  | R-C     | TVC    | OP-OF  |            |
|                                | R-1     | NP-NBMU | G-C    | OS     |            |

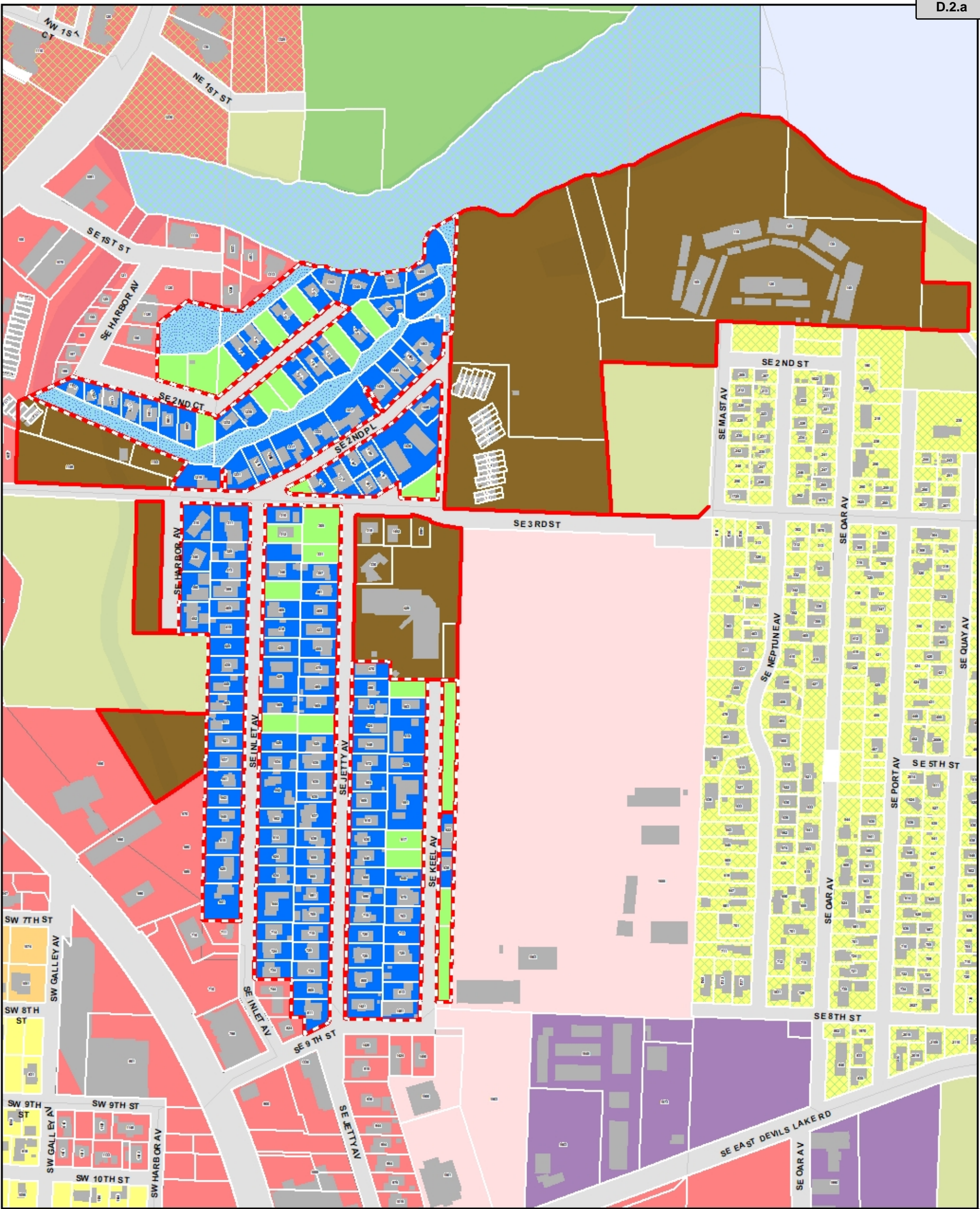


# Lincoln City Multi-Family Zones by use

October 2020


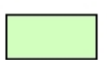








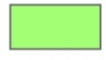








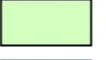

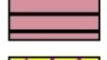





|                                |         |         |        |            |
|--------------------------------|---------|---------|--------|------------|
| Proposed Rezone: 104 ac        | R-1-10  | R-R     | OP-IM  | OP-OF      |
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|                                | R-1     | NP-NBD  | P-C    | M-W        |
|                                | R-M     | NP-NCR  | P-I    |            |

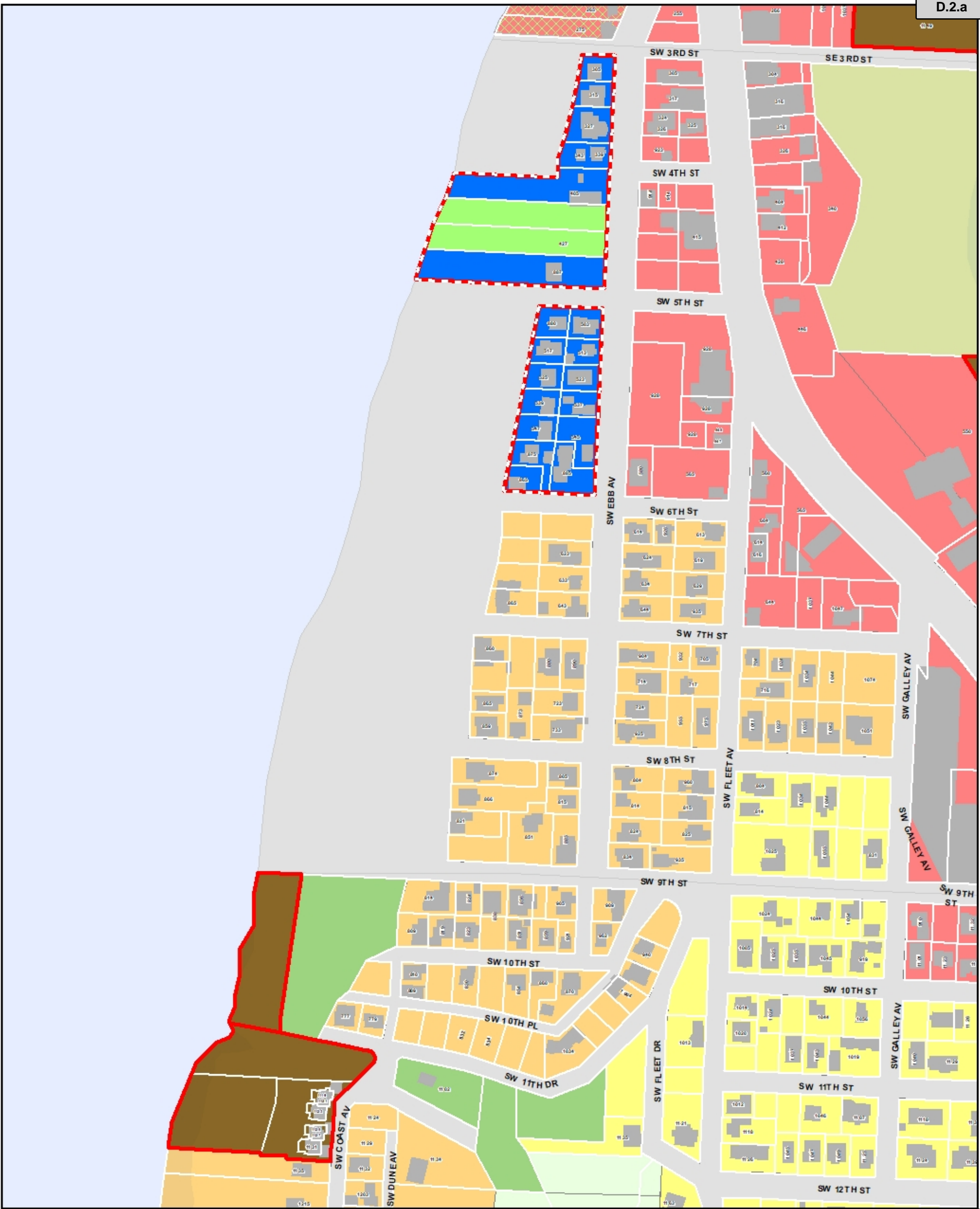
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# Lincoln City Multi-Family Zones by use


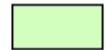



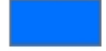











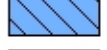

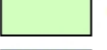







October 2020

|  |   |  |  |  |
|--|---|--|--|--|
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|  |  R-M     |  NP-NCR  |  P-I    |  |

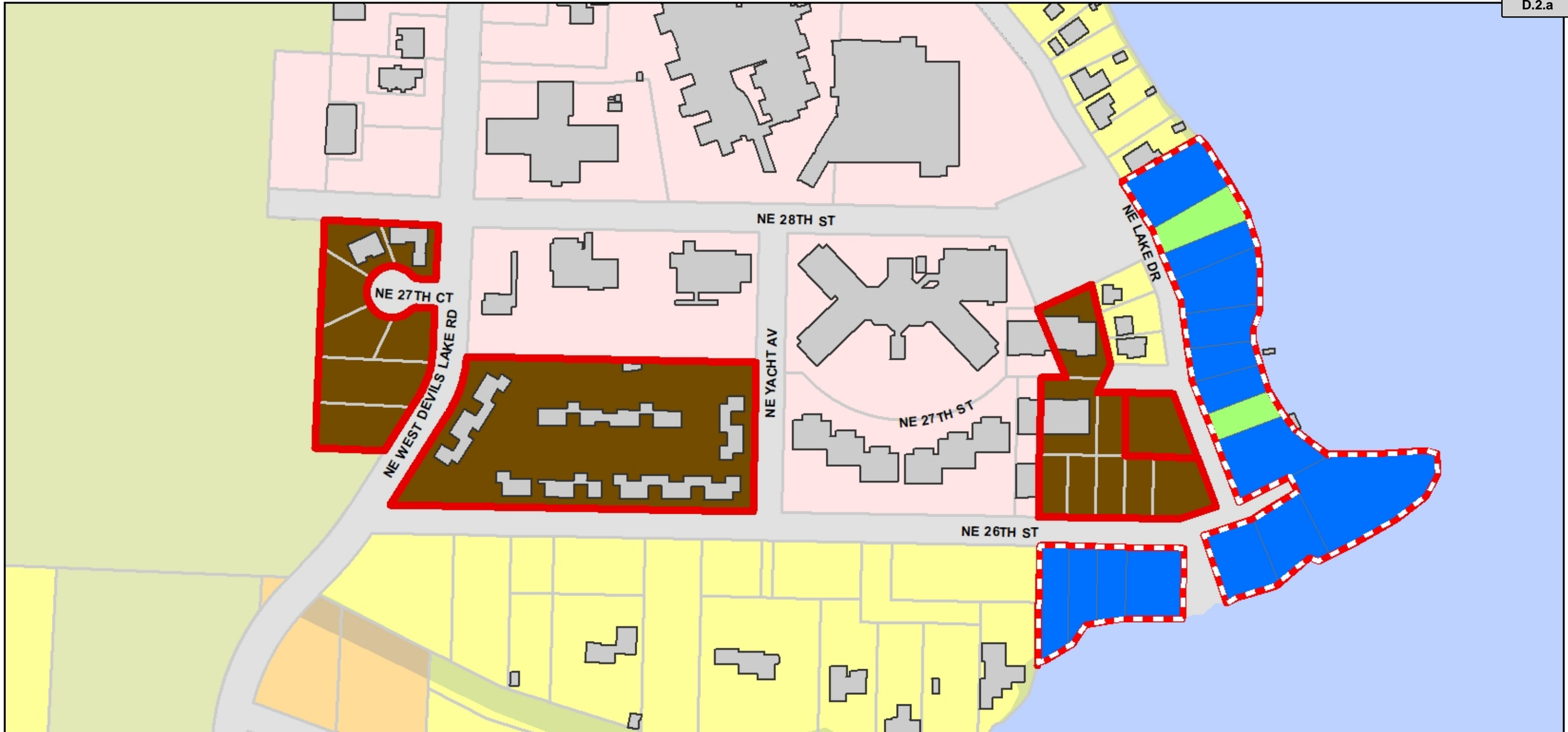


# Lincoln City Multi-Family Zones by use

October 2020

|  |   |  |  |  |
|--|---|--|--|--|
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|  |  R-1     |  NP-NBD  |  P-C    |  M-W        |
|  |  R-M     |  NP-NCR  |  P-I    |  |

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**Multi-Family Zones  
by use**

October 2020

|                                |         |         |        |        |            |
|--------------------------------|---------|---------|--------|--------|------------|
| Proposed Rezone: 104 ac        | R-1-10  | R-M     | NP-NBD | OP-MSH | P          |
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| 4 Water : 2.0 ac +/-           | R-1-RE  | R-C     | TVC    | OP-OF  |            |
|                                | R-1     | NP-NBMU | G-C    | OS     |            |

# Council Communication

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## Set June 14, 2021 Public Hearing for Alternative Contracting Method Approval

Meeting Date: May 10, 2021  
 Department: Public Works  
 Secondary Dept:  
 Approval: Lila Bradley

Primary Staff Contact: Stephanie Reid  
 E-Mail: SReid@lincolncity.org  
 Secondary Contacts:  
 Estimated Time: 5 min

---

### Question:

Should the City Council set a June 14, 2021 Public Hearing to consider an exemption from the competitive bidding process for the design and construction of the Ester Lee Sewer Pump Station Replacement Project?

### Staff Recommendation:

Staff recommends the Council set a June 14, 2021 Public Hearing to consider an exemption from the competitive bidding process for the design and construction of the Ester Lee Sewer Pump Station Replacement Project.

### Authority:

Exemptions are allowed under ORS 279C.335 (2) providing the agency seeking an exemption follow the required procedures including preparing findings for the exemption.

**279C.335 Competitive bidding; exceptions; exemptions.** (1) All public improvement contracts shall be based upon competitive bids except:

- (a) A public improvement contract with a qualified nonprofit agency that provides employment opportunities for individuals with disabilities under ORS 279.835 to 279.855.
- (b) A public improvement contract that is exempt under subsection (2) of this section.
- (c) A public improvement contract with a value of less than \$5,000.
- (d) A public improvement contract with a contract price that does not exceed \$100,000 made under procedures for competitive quotes in ORS 279C.412 and 279C.414.
- (e) A contract to repair, maintain, improve or protect property the Department of Veterans' Affairs obtains under ORS 407.135 and 407.145 (1).
- (f) An energy savings performance contract that a contracting agency enters into in accordance with rules of procedure adopted under ORS 279A.065.

(2) Subject to subsection (4)(b) and (c) of this section, the Director of the Oregon Department of Administrative Services, a local contract review board or, for contracts described in ORS 279A.050 (3)(b), the Director of Transportation may exempt a public improvement contract or a class of public improvement contracts from the competitive bidding requirement of subsection (1) of this section after the Director of the Oregon Department of Administrative Services, the Director of Transportation or the local contract review board approves the following findings that

the contracting agency submits or, if a state agency is not the contracting agency, that the state agency that is seeking the exemption submits:

(a) The exemption is unlikely to encourage favoritism in awarding public improvement contracts or substantially diminish competition for public improvement contracts.

(b) Awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the contracting agency or the state agency that seeks the exemption or, if the contract is for a public improvement described in ORS 279A.050 (3)(b), to the contracting agency or the public. In approving a finding under this paragraph, the Director of the Oregon Department of Administrative Services, the Director of Transportation or the local contract review board shall consider the type, cost and amount of the contract and, to the extent applicable to the particular public improvement contract or class of public improvement contracts, the following:

(A) How many persons are available to bid;

(B) The construction budget and the projected operating costs for the completed public improvement;

(C) Public benefits that may result from granting the exemption;

(D) Whether value engineering techniques may decrease the cost of the public improvement;

(E) The cost and availability of specialized expertise that is necessary for the public improvement;

(F) Any likely increases in public safety;

(G) Whether granting the exemption may reduce risks to the contracting agency, the state agency or the public that are related to the public improvement;

(H) Whether granting the exemption will affect the sources of funding for the public improvement;

(I) Whether granting the exemption will better enable the contracting agency to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement;

(J) Whether granting the exemption will better enable the contracting agency to address the size and technical complexity of the public improvement;

(K) Whether the public improvement involves new construction or renovates or remodels an existing structure;

(L) Whether the public improvement will be occupied or unoccupied during construction;

(M) Whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions; and

(N) Whether the contracting agency or state agency has, or has retained under contract, and will use contracting agency or state agency personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency or state agency will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract.

(c) As an alternative to the finding described in paragraph (b) of this subsection, if a contracting agency or state agency seeks an exemption that would allow the contracting agency or state agency to use an alternative contracting method that the contracting agency or state agency has not previously used, the contracting agency or state agency may make a finding that identifies the project as a pilot project for which the contracting agency or state agency intends to determine whether using the alternative contracting method actually results in substantial cost savings to the contracting agency, to the state agency or, if the contract is for a public improvement described in ORS 279A.050 (3)(b), to the contracting agency or the public. The

contracting agency or state agency shall include an analysis and conclusion regarding actual cost savings, if any, in the evaluation required under ORS 279C.355.

(3) In making findings to support an exemption for a class of public improvement contracts, the contracting agency or state agency shall clearly identify the class using the class's defining characteristics. The characteristics must include a combination of project descriptions or locations, time periods, contract values, methods of procurement or other factors that distinguish the limited and related class of public improvement contracts from the agency's overall construction program. The agency may not identify a class solely by funding source, such as a particular bond fund, or by the method of procurement, but shall identify the class using characteristics that reasonably relate to the exemption criteria set forth in subsection (2) of this section.

(4) In granting exemptions under subsection (2) of this section, the Director of the Oregon Department of Administrative Services, the Director of Transportation or the local contract review board shall:

(a) If appropriate, direct the use of alternative contracting methods that take account of market realities and modern practices and are consistent with the public policy of encouraging competition.

(b) Require and approve or disapprove written findings by the contracting agency or state agency that support awarding a particular public improvement contract or a class of public improvement contracts, without the competitive bidding requirement of subsection (1) of this section. The findings must show that the exemption of a contract or class of contracts complies with the requirements of subsection (2) of this section.

(c) Require a contracting agency or state agency that procures construction manager/general contractor services to conduct the procurement in accordance with model rules the Attorney General adopts under ORS 279A.065 (3).

(5)(a) A contracting agency or state agency shall hold a public hearing before approving the findings required by subsection (2) of this section and before the Director of the Oregon Department of Administrative Services, the Director of Transportation or the local contract review board grants an exemption from the competitive bidding requirement for a public improvement contract or a class of public improvement contracts.

(b) Notification of the public hearing must be published in at least one trade newspaper of general statewide circulation a minimum of 14 days before the hearing.

(c) The notice must state that the public hearing is for the purpose of taking comments on the draft findings for an exemption from the competitive bidding requirement. At the time of the notice, copies of the draft findings must be made available to the public. At the option of the contracting agency or state agency, the notice may describe the process by which the findings are finally adopted and may indicate the opportunity for further public comment.

(d) At the public hearing, the contracting agency or state agency shall offer an opportunity for any interested party to appear and comment.

(e) If a contracting agency or state agency must act promptly because of circumstances beyond the agency's control that do not constitute an emergency, notification of the public hearing may be published simultaneously with the agency's solicitation of contractors for the alternative public contracting method, as long as responses to the solicitation are due at least five days after the hearing and approval of the findings.

(6) The purpose of an exemption is to exempt one or more public improvement contracts from competitive bidding requirements. The representations in and the accuracy of the findings, including any general description of the resulting public improvement contract, are the bases for approving the findings and granting the exemption. The findings may describe anticipated

features of the resulting public improvement contract, but the final parameters of the contract are those characteristics or specifics announced in the solicitation document.

(7) A public improvement contract awarded under the competitive bidding requirement of subsection (1) of this section may be amended only in accordance with rules adopted under ORS 279A.065.

(8) A public improvement contract that is excepted from the competitive bidding requirement under subsection (1)(a), (c), (d), (e) or (f) of this section is not subject to the exemption requirements of subsection (2) of this section. [2003 c.794 §103; 2003 c.794 §§104,105a; 2005 c.103 §§12,13,14; 2005 c.625 §§58,59,60; 2007 c.70 §§69,70,71; 2007 c.764 §§14,15,17; 2013 c.522 §8]

### **Background:**

Contract Exemption: Staff will notice a public hearing for June 14, 2021 per the above contracting requirements to consider the alternative contracting method exemption. The draft findings (attached) will be considered at that hearing. If Council concurs, a Resolution will be prepared approving the Exemption (e.g. Resolution 2021-09 for 14<sup>th</sup> Street).

Project: This project will replace two sanitary sewer pump stations (Ester Lee North Pump Station and Ester Lee South Pump Station) with one new pump station located at the Ester Lee North Pump Station Site, construct 400 feet of sanitary sewer and 400 to 1,200 feet of force main. The pump station will include a building that will house the controls and a standby generator. The pump station site is located within an existing right-of-way but is within the FEMA flood zone. The top of the wet well along with the proposed building is required to be 2 feet above the FEMA flood zone. This means that the structures will have to be approximately 2 to 3 feet above the existing ground.

### **Council Options:**

Set the Public Hearing.

Do Not Set the Public Hearing

On June 14, 2021, after the public hearing:

- Council may authorize an exemption to the competitive bidding process for the Ester Lee Pump Station Replacement Project based on the draft findings.

- Council may authorize an exemption to the competitive bidding process for the Ester Lee Pump Station Replacement Project and modify the draft findings.
- Council may disagree with the findings and direct staff to procure the contract under the competitive bidding process.

**Financial Impact**

The budget for this project will be in the Fiscal Year 21/22 and Fiscal Year 22/23 totaling \$1.3 million.

**Potential Motions:**

Move to authorize set the public hearing for June 14, 2021 on the Ester Lee Pump Station Replacement Project the Alternative Public Contracting method.

**Attachments:**

Draft Findings  
Public Hearing Notice

**Attachments:**

Findings in Support of Alternative Contracting Method CM (002)1 (PDF)  
Exemption Public Notice (PDF)

# Findings in Support of Alternative Contracting Method

## FOR THE DESIGN AND CONSTRUCTION OF ESTER LEE PUMP STATION REPLACEMENT PROJECT

### Introduction

Use of Alternative Contracting methods, such as Design-Build is made possible under ORS Chapter 279C, which permits certain contracts or classes of contracts to be exempt from competitive public bidding under strict procedural safeguards. Like other alternative contracting methods, Design-Build has significantly different legal requirements than a typical design-bid-build project delivery method.

Pursuant to ORS 279C.335, a local contract review board may exempt specific contracts from traditional, competitive bidding by showing that an alternative contracting process is unlikely to encourage favoritism or diminish competition and will result in cost savings to the public agency. The Oregon Attorney General's Model Public Contract Rules provide for public notice and opportunity for the public to comment on draft findings in favor of an exemption before their final adoption.

ORS 279C.330 provides that: "findings" means the justification for a contradicting agency conclusion that includes, but is not limited to, information regarding:

- Operational, budget and financial data;
- Public benefits;
- Value engineering;
- Specialized expertise required;
- Public safety;
- Market conditions;
- Technical complexity
- Funding sources
- Findings

### Background

This project will replace two sanitary sewer pump stations (Ester Lee North Pump Station and Ester Lee South Pump Station) with one new pump station located at the Ester Lee North Pump Station Site, construct 400 feet of sanitary sewer and

400 to 1,200 feet of force main. The pump station will include a building that will house the controls and a standby generator. The pump station site is located within an existing right-of-way but is within the FEMA flood zone. The top of the wet well along with the proposed building is required to be 2 feet above the FEMA flood zone. This means that the structures will have to be approximately 2 to 3 feet above the existing ground.

### **Operational, Budget, and Financial Data**

The project cost estimate was developed at the concept phase. City has estimated the project budget at \$1,300,000 over two years.

### **Public Benefit**

Design-Build provides opportunities for cost savings through the flexibility and openness of the process, allowing the City to more easily make appropriate changes as necessary to meet the project budget.

The selected engineer and contractor team develop construction plans together, using their collective knowledge and experience, and remain a team through construction. This approach also allows the City, the Tribe and ODOT to see the design and costs associated early in the process to make changes to meet the project budget.

### **Value Engineering**

The Design-Build process essentially is value engineering. Design options and real-time cost estimates provided by the team throughout the constructability reviews allow cost saving design changes or substitutes to be identified throughout the design and up to the build phase.

These beneficial actions by the team will improve design, expedite construction and eliminate the potential for costly change orders.

### **Specialized Expertise Required**

Understanding the requirements for permitting, the impacts of the permitting requirements on the project and cost is one area of expertise required for this project.

### **Market Conditions**

The Design-Build contracting process is a modern construction delivery method used by both public and private organizations. The team is tasked with knowing the latest construction techniques and products. The team will inform the City of current market conditions, labor and materials availability, and construction methodologies that can reduce design and construction time and costs. The process also allows the construction timing and sequence to be considered.

### **Technical Complexity**

The Project has significant technical complexities which will be best addressed by a full team approach, with the team working with the City to solve specific challenges identified during the pre-construction phase.

### **Competition and Cost Savings**

The Design-Build method of contracting provides the greatest cost controls for limited budgets and therefore benefits the City. The team approach, the schedule, the value analysis, and constructability reviews provides the ultimate in effective cost analysis. It is critical, and also consistent with the spirit of collaboration encouraged throughout the process that everyone on the Project Team works towards a budget of which they can take ownership.

### **Unlikely to Encourage Favoritism or Diminish Competition**

It is unlikely that the process of selecting a Design-Build firm will encourage favoritism in the awarding of the public contract or substantially diminish competition for the public contract. Competition will not diminish because the Design-Build contract will be awarded based on a competitive process.

### **Cost Savings**

The low-bid process offers a level of certainty to the owner that the initial bid price of the project is the lowest cost; however, if changed conditions are encountered during construction, resulting change orders can have significant cost impacts.

With the Design-Build method, the contractor is required to submit their mark-up percent. The percent mark-up includes the contractor's profit. This allows the contractor a level of certainty and eliminates the motivation for finding ways to increase his profit during construction.

During the early design phase, the Design-Build team will provide value engineering and update cost estimate information. This will allow the City to also make changes early, assuring that the costs are going to radically change in final design or receive bids that are substantially higher than the engineer's estimate.

Additionally, the use of value engineering through cooperation among the engineer, contractor and City is essential to the Project delivery on time and within budget. Design-Build value engineering will eliminate change orders and progress delays to help meet the tight time schedule for the Project. These savings are not realized under a low bid process.

**Summary**

Substantial cost savings are anticipated from the Design-Build team approach because decision-making is based on cost effective and informed solutions.

**NOTICE OF PUBLIC HEARING  
CITY OF LINCOLN CITY BEST VALUE CONTRACTING  
COMPETITIVE BIDDING EXEMPTION**

Notice is hereby given that the City Council of Lincoln City will hold a public hearing to take oral and written comments on the City’s draft findings in support of an exemption from competitive bidding under ORS 279C.335 for the design and construction of the Ester Lee Pump Station Replacement Project.

The City is requesting the exemption from competitive bidding to allow the use of a procurement method that presents an alternative to the traditional low-bid method of contracting. The method known as Best Value or Source Selection awards projects to the contractor offering the best combination of price, technical qualifications, technical approach. The City’s evaluation and scoring of competing contractor’s technical qualifications and technical approach components, combined with comparison of the contractor’s price component will be the basis of award.

The project is located on SW Anchor Ct at the west end of the street. The project will construct a sanitary sewer pump station, 400 linear foot 8-inch sewer and 400 to 1,200 feet of force main.

The draft findings may also be viewed on Lincoln City’s website at [www.lincolncity.org](http://www.lincolncity.org). Copies of draft findings may be obtained at a cost of 30 cents per page.

**Public Hearing Information**

- Date: June 14, 2021
- Time: City Council Meeting, 6:00 PM\*
- Place: City Council Chambers, 801 SW Highway 101, 3<sup>rd</sup> Floor  
Lincoln City, Oregon

*\*(This is a regularly scheduled City Council meeting, and the public hearing will not be the first item on the agenda.)* Comments must be submitted in writing by noon on June 8, 2021 to be included in the City Council packet. Written comments received after noon June 8, 2021 will be provided to City Council at the hearing. Any person may provide oral or written comments to the City Council at the June 14, 2021 hearing. Written comments should be addressed to:

Comments on the Draft Findings should be addressed to:  
Stephanie Reid, City Engineer  
Public Works Department  
P.O. Box 50  
Lincoln City OR, 97367

**Date of Publication:      May 12, 2021      Daily Journal of Commerce**

## Council Communication

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### SW 29th Street & NE 36th Drive Temporary Road Closure

|                 |               |                        |                            |
|-----------------|---------------|------------------------|----------------------------|
| Meeting Date:   | May 10, 2021  | Primary Staff Contact: | Richard Appicello          |
| Department:     | City Attorney | E-Mail:                | RAppicello@lincolncity.org |
| Secondary Dept: |               | Secondary Contacts:    |                            |
| Approval:       | Lila Bradley  | Estimated Time:        | 5 minutes                  |

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#### Question:

Should the City Council approve Resolution 2021-19 concerning temporary road closure of SW 29<sup>th</sup> Street, NE 36<sup>th</sup> Drive, and NE West Devils Lake Road during construction of the "SW 29<sup>th</sup> Street and NE 36<sup>th</sup> Drive Project" awarded to Advanced Excavation Inc. on April 26, 2021?

#### Staff Recommendation:

Staff recommends approval of Resolution 2021-19.

#### Authority:

#### 10.08.010 Powers of the city council.

A. Subject to state laws, the city council shall exercise all municipal traffic authority for the city except those powers specifically and expressly delegated by this title or another ordinance.

B. The powers of the council, which may be exercised by resolution, include, but are not limited to:

1. Designation of through streets;
2. Designation of one-way streets;
3. Designation of truck routes;
4. Designation of parking meter zones;
5. Designation of certain streets as bridle paths and prohibition of horses and animals on other streets, parks or property;
6. Authorization of greater maximum weights or lengths for vehicles using city streets than specified by state law;
7. Initiation of proceedings to change speed zones;
8. Establishment and revision of speed limits and traffic regulations in parks;
9. Temporary blocking or closing of streets;
10. Establishment of bicycle lanes and paths and traffic controls for such facilities;

11. Restriction of the use of certain streets by any class or kind of vehicle to protect the streets from damage;
12. Authorization of issuance of oversize or overweight vehicle permits;
13. Establishment, maintenance, removal or alteration of the following classes of traffic controls:
  - a. Crosswalks, safety zones and traffic lanes,
  - b. Intersection channelization and areas where drivers of vehicles shall not make right, left or U-turns, and the time when such prohibitions apply,
  - c. Truck parking areas, parking for disabled persons, parking areas and time limitations, including the form of permissible parking (e.g., parallel or diagonal),
  - d. Loading zones and stops for vehicles,
  - e. Traffic-control signals.

### **Background**

The above-referenced construction project approved by Council on April 26, 2021 requires temporary closure of SW 29<sup>th</sup> Street during actual construction. The estimated timeframe for construction is May 2021 through September 3, 2021.

- SW 29<sup>th</sup> Street from Hwy 101 to SW Coast Avenue will be closed to through traffic for constructing a sidewalk, on-street parking and an asphalt overlay. Residents will be notified and the Contractor will coordinate access. The exact dates of closure will be determined when the Contractor develops a schedule. Updates about the project and closure will be posted on the City's website under Public Works.

In addition, the following closures are also required by this construction:

- NE 36<sup>th</sup> Drive from 200 feet east of NE Surf Drive to NE West Devils Lake Road will be closed for an asphalt overlay project. The closure time will be up to 6 hours and residents will be notified of the exact schedule once determined.
- NE West Devils Lake Road from NE 35<sup>th</sup> Drive to Hwy 101 will be closed for an asphalt overlay project. The closure time will be up to 6 hours. Residents will be notified of the exact schedule once determined. A reader board will be used to notify the public of the closure in advance.

### **Recommendation**

Staff recommends approval of Resolution 2021-19.

**Council Options:**

Approve the Resolution.

Do Not approve the Resolution.

Approve the Resolution (with amendments).

**Financial Impact**

No financial impacts to City.

**Potential Motions:**

Move to approve Resolution 2021-19.

Move to approve Resolution 2021-19, with the following amendments.

Move to reject the proposed Resolution.

**Attachments:**

Resolution 2021-19 updated 5-3-21 (DOC)

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**RESOLUTION NO. 2021-19**

**A RESOLUTION OF THE CITY OF LINCOLN CITY ORDERING THE TEMPORARY CLOSURE OF SW 29<sup>th</sup> STREET, NE 36<sup>th</sup> DRIVE AND NE WEST DEVIL’S LAKE ROAD DURING CONSTRUCTION OF THE SW 29<sup>th</sup> STREET AND NE 36<sup>th</sup> DRIVE IMPROVEMENT PROJECT**

**RECITALS**

Pursuant to LCMC 10.08.010, the City Council may exercise Traffic Control authority by Resolution of the Council; and

The Temporary blocking or closing of street is expressly listed as within the authority of the City Council; and

The contract for construction of the SW 29<sup>th</sup> Street and NE 36<sup>th</sup> Drive Improvement Project requires the closure of SW 29<sup>th</sup> Street during construction; and

City Council or City Manager approval of the road closure is required; and

The City Council finds and determines that there is a public benefit in temporary closure to facilitate the above-referenced public improvement project.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINCOLN CITY, AS FOLLOWS:**

**SECTION 1. RECITALS.** The above recitals are true and correct and are incorporated herein by this reference.

**SECTION 2. IMPOSING TRAFFIC CONTROL.**

Effective upon issuance of a notice to proceed from the City Engineer, or designee, authorizing the above-referenced work, the requested construction road closure is hereby approved as follows:

- From May 2021 through September 3, 2021, SW 29<sup>th</sup> Street from Hwy 101 to SW Coast Avenue will be closed to through traffic for constructing a sidewalk, on-street parking and an asphalt overlay. Residents will be notified and the Contractor will coordinate access. The exact dates of closure will be

determined when the Contractor develops a schedule. Updates about the project and closure will be posted on the City’s website under Public Works.

- From May 2021 through September 3, 2021, NE 36<sup>th</sup> Drive from 200 feet east of NE Surf Drive to NE West Devils Lake Road will be closed for an asphalt overlay project. The closure time will be up to 6 hours and residents will be notified of the exact schedule once determined.
- From May 2021 through September 3, 2021, NE West Devils Lake Road from NE 35<sup>th</sup> Drive to Hwy 101 will be closed for an asphalt overlay project. The closure time will be up to 6 hours. Residents will be notified of the exact schedule once determined. A reader board will be used to notify the public of the closure in advance.

**SECTION 3.** This Resolution is effective as of the date of its adoption.

**PASSED AND APPROVED** by the City Council of the City of Lincoln City, Oregon, this 10<sup>th</sup> day of May 2021.

\_\_\_\_\_  
JUDY CASPER, COUNCIL PRESIDENT

ATTEST:

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JAMIE YOUNG, CITY RECORDER

APPROVED AS TO FORM:

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RICHARD APPICELLO, CITY ATTORNEY

## Council Communication

### NE 14th Street Temporary Road Closure

|                 |               |                        |                            |
|-----------------|---------------|------------------------|----------------------------|
| Meeting Date:   | May 10, 2021  | Primary Staff Contact: | Richard Appicello          |
| Department:     | City Attorney | E-Mail:                | RAppicello@lincolncity.org |
| Secondary Dept: |               | Secondary Contacts:    |                            |
| Approval:       | Lila Bradley  | Estimated Time:        | 5 minutes                  |

#### Question:

Should the City Council approve Resolution 2021-20 concerning temporary road closure of NE 14<sup>th</sup> Street during construction of the "NE 14<sup>th</sup> Street Project" awarded to K & E Excavation on April 26, 2021?

#### Staff Recommendation:

Staff recommends approval of Resolution 2021-20.

#### Authority:

#### 10.08.010 Powers of the city council.

A. Subject to state laws, the city council shall exercise all municipal traffic authority for the city except those powers specifically and expressly delegated by this title or another ordinance.

B. The powers of the council, which may be exercised by resolution, include, but are not limited to:

1. Designation of through streets;
2. Designation of one-way streets;
3. Designation of truck routes;
4. Designation of parking meter zones;
5. Designation of certain streets as bridle paths and prohibition of horses and animals on other streets, parks or property;
6. Authorization of greater maximum weights or lengths for vehicles using city streets than specified by state law;
7. Initiation of proceedings to change speed zones;
8. Establishment and revision of speed limits and traffic regulations in parks;
9. Temporary blocking or closing of streets;
10. Establishment of bicycle lanes and paths and traffic controls for such facilities;

11. Restriction of the use of certain streets by any class or kind of vehicle to protect the streets from damage;
12. Authorization of issuance of oversize or overweight vehicle permits;
13. Establishment, maintenance, removal or alteration of the following classes of traffic controls:
  - a. Crosswalks, safety zones and traffic lanes,
  - b. Intersection channelization and areas where drivers of vehicles shall not make right, left or U-turns, and the time when such prohibitions apply,
  - c. Truck parking areas, parking for disabled persons, parking areas and time limitations, including the form of permissible parking (e.g., parallel or diagonal),
  - d. Loading zones and stops for vehicles,
  - e. Traffic-control signals.

### **Background**

The above-referenced construction project approved by Council on April 26, 2021 requires temporary closure of NE 14<sup>th</sup> Street during actual construction. The estimated timeframe for construction is May 17, 2021 through September 3, 2021. The east bound lane on NE 14<sup>th</sup> Street from Hwy 101 to NE Port Avenue will be closed for construction of a sidewalk and stormwater system. Detours will be in place. Traffic will be routed to the signal at NE 17<sup>th</sup> Street for access to Hwy 101.

### **Recommendation**

Staff recommends approval of Resolution 2021- 20.

### **Council Options:**

Approve the Resolution.

Do Not approve the Resolution.

Approve the Resolution (with amendments).

### **Financial Impact**

No financial impacts to City.

### **Potential Motions:**

Move to approve Resolution 2021-20.

Move to approve Resolution 2021-20, with the following amendments.

Move to reject the proposed Resolution.

**Attachments:**

Resolution 2021-20 revised 5-3-21 (DOC)

**RESOLUTION NO. 2021-20**

**A RESOLUTION OF THE CITY OF LINCOLN CITY ORDERING THE TEMPORARY CLOSURE OF SE 14<sup>th</sup> STREET DURING CONSTRUCTION OF THE SE 14<sup>th</sup> STREET IMPROVEMENT PROJECT**

**RECITALS**

Pursuant to LCMC 10.08.010, the City Council may exercise Traffic Control authority by Resolution of the Council; and

The Temporary blocking or closing of street is expressly listed as within the authority of the City Council; and

The contract for construction of the NE 14<sup>th</sup> Street Improvement Project requires the closure of NE 14<sup>th</sup> Street during construction; and

City Council or City Manager approval of the road closure is required; and

The City Council finds and determines that there is a public benefit in temporary closure to facilitate the above-referenced public improvement project.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINCOLN CITY, AS FOLLOWS:**

**SECTION 1. RECITALS.** The above recitals are true and correct and are incorporated herein by this reference.

**SECTION 2. IMPOSING TRAFFIC CONTROL.**

Effective upon issuance of a notice to proceed from the City Engineer, or designee, authorizing the above-referenced work, the requested construction road closure is hereby approved as follows:

- From May 17, 2021 through September 3, 2021, the east bound lane on NE 14<sup>th</sup> Street from Hwy 101 to NE Port Avenue will be closed for construction of a sidewalk and stormwater system. Detours will be in place. Traffic will be routed to the signal at NE 17<sup>th</sup> Street for access to Hwy 101.

1 Staff is directed to post notice of the proposed time for closure as soon as  
2 possible after approval of this Resolution.

3 **SECTION 3. EFFECTIVE DATE.** This Resolution is effective as of the date of its  
4 adoption.

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6 **PASSED AND APPROVED** by the City Council of the City of Lincoln City, Oregon, this  
7 10<sup>th</sup> day of May 2021.

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12 JUDY CASPER, COUNCIL PRESIDENT

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ATTEST:

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18 JAMIE YOUNG, CITY RECORDER

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APPROVED AS TO FORM:

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24 RICHARD APPICELLO, CITY ATTORNEY

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## Council Communication

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### **Resolution 2021-21: Lincoln County Enterprise Zone Redesignation**

Meeting Date: May 10, 2021                      Primary Staff Contact: Alison Robertson  
Department: Economic Development            E-Mail: alisonr@lincolncity.org  
Secondary Dept: Planning Department        Secondary Contacts:  
Approval: Lila Bradley                              Estimated Time: 5 Min

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Please see attached Resolution 2021-21: A RESOLUTION AUTHORIZING APPLICATION FOR RENEWAL AND A CHANGE OF BOUNDARY FOR THE LINCOLN COUNTY ENTERPRISE ZONE WITHIN THE CITY OF LINCOLN CITY

**Attachments:**

Resolution\_2021-21\_EnterpriseZone\_LincolnCity            (PDF)

**RESOLUTION NO. 2021-21**

**A RESOLUTION AUTHORIZING APPLICATION FOR RENEWAL AND A CHANGE OF BOUNDARY FOR THE LINCOLN COUNTY ENTERPRISE ZONE WITHIN THE CITY OF LINCOLN CITY**

WHEREAS, the Director of the Oregon Economic and Community Development Department (now known as Oregon Business Development Department) on December 15, 1999, approved the initial Lincoln County Enterprise Zone, which included the cities of Newport, Toledo and Waldport, unincorporated land in Lincoln County, and the community of Eddyville; and in 2004 the Lincoln County Enterprise Zone was approved for expansion including the cities of Depoe Bay, Lincoln City and Siletz; and the Lincoln County Enterprise Zone was approved for renewal on July 1, 2010; and

WHEREAS, the Lincoln County Enterprise Zone and the property tax exemptions that it offers for new investment by eligible business firms are essential elements of our efforts to increase employment opportunities, to raise local household incomes, to attract investments by new and existing businesses, and to diversify the local economic base; and

WHEREAS, the existing boundaries of the Lincoln County Enterprise Zone of the City of Lincoln City have become obsolete due to development, zone changes, and other reasons; and

WHEREAS therefore it is appropriate to revise the boundaries with a renewed application through the Economic Development Alliance of Lincoln County, the designated Zone Manager for the County’s Enterprise Zone; and

WHEREAS the availability of enterprise zone exemptions to businesses that operate hotels, motels or destination resorts would help diversity local economic activity, provide useful employment for certain segments of the labor force, and facilitate expansions of accommodations for visitors who in turn will spend time and money in the area for business, recreation, and other purposes; and

WHEREAS, officials of the city of Lincoln City are agreed in requesting the Oregon Business Development Department to renew the Lincoln County Enterprise Zone; and the City of Lincoln City supports the application and will jointly comply with the requirements and provisions of ORS Chapter 285C, and understands the impacts that the Enterprise Zone will have.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lincoln City as follows: the Lincoln County Enterprise Zone as described in the application materials, and the map in Exhibit A, be renewed by the Oregon Business Development Department for another four

1 (4) years beginning July 1, 2021, and that due to the linear nature of Lincoln County the waiver of  
2 the 25-mile length limit also be renewed. Further, the Executive Director of the Economic  
3 Development Alliance of Lincoln County is hereby authorized to prepare and submit application  
4 materials to the Oregon Business Development Department for renewal of the Enterprise Zone for  
5 Lincoln County.

6 PASSED AND APPROVED by the City Council of the City of Lincoln City this  
7 10<sup>th</sup> day of May, 2021.

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JUDY CASPER, COUNCIL PRESIDENT

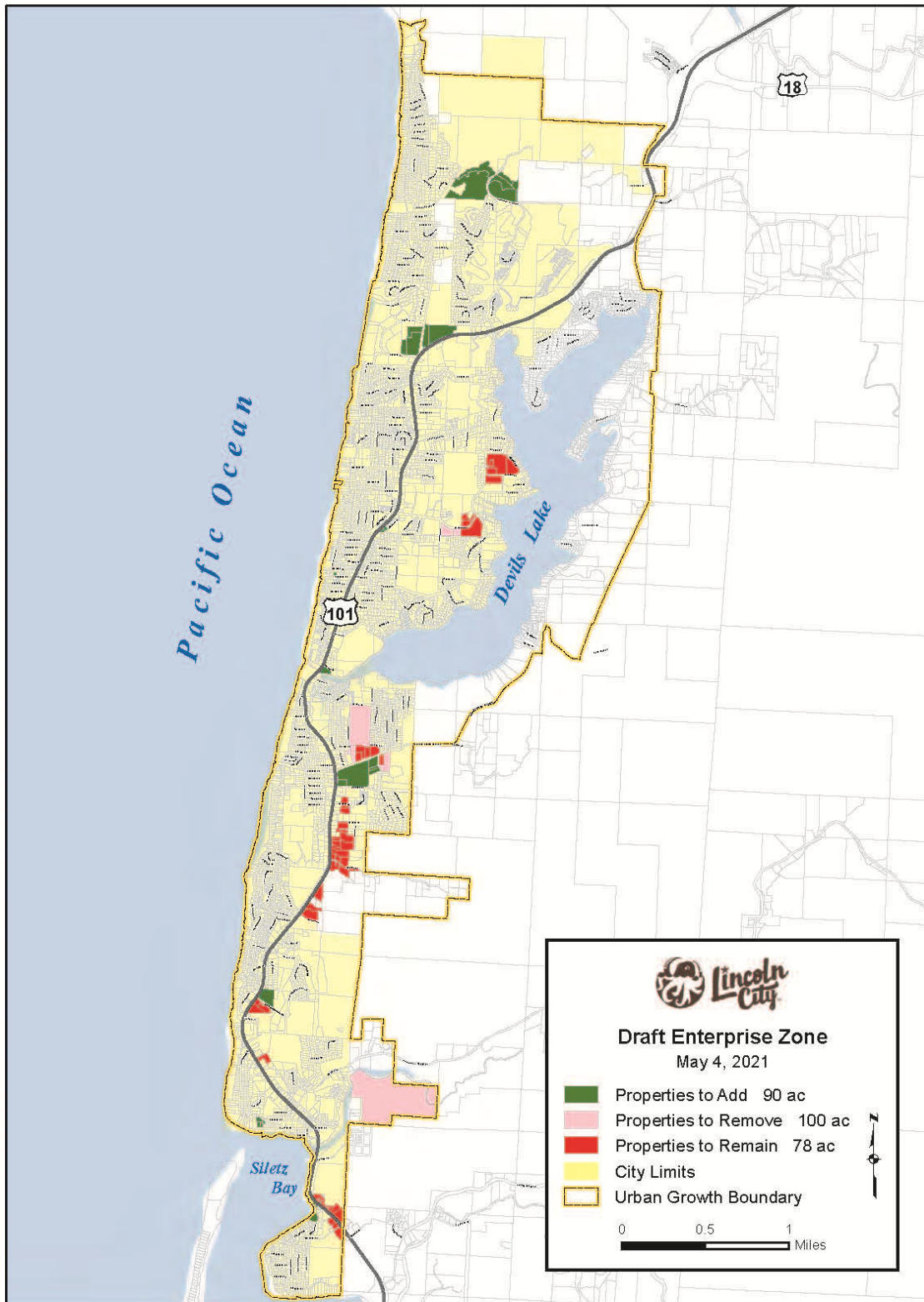
ATTEST:

JAMIE YOUNG, CITY RECORDER

APPROVED AS TO FORM

RICHARD APPICELLO, CITY ATTORNEY

1 EXHIBIT A – Map of Enterprise Zone Boundary Redesignation  
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## Council Communication

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### Construction Award for De-Watering Equipment

|                 |              |                        |                       |
|-----------------|--------------|------------------------|-----------------------|
| Meeting Date:   | May 10, 2021 | Primary Staff Contact: | Stephanie Reid        |
| Department:     | Public Works | E-Mail:                | SReid@lincolncity.org |
| Secondary Dept: |              | Secondary Contacts:    |                       |
| Approval:       | Lila Bradley | Estimated Time:        | 5 min                 |

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#### Question:

Should the City Council award the Progressive Design-Build Services for Design & Installation of Dewatering Screw Press Project to Bateson Enterprises, LLC?

#### Staff Recommendation:

Award the Progressive Design-Build Services for Design & Installation of Dewatering Screw Press Project to Bateson Enterprises, LLC.

#### Authority:

**LCMC 2.05.060.** (Public improvement contracts shall be awarded by competitive bid or as provided by the Public Contracting Code or these rules) In this case, the Council approved the exemption from competitive bidding to use this alternative contracting method.

#### Background:

The Public Works Department advertised the "Invitation to Submit Proposals for Progressive Design-Build" on March 23, 2021. The Public Works Department received one proposal on April 23, 2021. The proposal was from Bateson Enterprises, LLC

The proposals were reviewed by a selection committee and recommended Bateson Enterprises, LLC be awarded the contract. The City has extensive experience with Bateson Enterprises, LLC in delivering completed projects for the City. Their work has always been exceptional.

#### Council Options:

City Council can award the Progressive Design-Build Services for Design & Installation of Dewatering Screw Press Project to Bateson Enterprises, LLC or not award the project to Bateson Enterprises, LLC.

**Financial Impact:**

This project was approved in the Fiscal Year 2020/21 Sewer Capital budget in the amount of \$450,000.00. The proposal estimate is \$450,000.00. We are requesting 10% contingency. The \$45,000.00 contingency, if needed would come from Sewer Capital Contingency fund.

The Bateson Enterprises LLC. Project team will develop a design with a cost estimate at direct cost plus 11% for labor and 8% for materials. The team will then develop a not to exceed cost for construction paid at direct cost plus 12% for labor and 8% for materials. The estimated budget cost presented by Bateson Enterprises LLC is \$450,500. The actual cost will be determine during Phase 1, Design. Contractor and Staff will work on the completed design together reviewing elements of the design and cost impacts.

**Potential Motions:**

Move to award the Progressive Design-Build Services for Design & Installation of Dewatering Screw Press Project to Bateson Enterprises, LLC. for \$450,000.00 with a contingency fund of \$45,000 for a total award of \$495,000.00.

# Council Communication

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## Enterprise Zone - Redesignation

Meeting Date: May 10, 2021                      Primary Staff Contact: Alison Robertson  
 Department: Economic Development E-Mail: alisonr@lincolncity.org  
 Secondary Dept: Planning Department      Secondary Contacts:  
 Approval: Lila Bradley                              Estimated Time: 10 Min

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### What is an Enterprise Zone?

An Enterprise Zone is a State program that can offer tax relief to periods of 3-5 years for any new improvements when new jobs are added with the improvements. This is a tool that can be used to add an incentive to a project that has already attained financial feasibility, but does not itself make a project become feasible. It can be another incentive for businesses and developers to consider in making investments for the zone-designated properties.

### Background and Current Request:

Paul Schuytema, Lincoln County Enterprise Zone Manager, with the Economic Development Alliance of Lincoln County (EDALC) has informed staff that the existing Enterprise Zone will expire June 30<sup>th</sup>, unless it is re-designated. Mr. Schuytema and staff are working to re-designate the EZ properties within Lincoln City, as part of the County's Zone. A review of the Lincoln City configuration is needed and the Council can consider City staff recommendation to remove parcels that may no longer be good candidates and add parcels that represent a likelihood of industrial or manufacturing development.

Resolution 2021-21 is on this agenda for Council consideration which includes a map (Exhibit A) showing properties to be removed and added.

There is also an option to add hotel development as a qualifying type of job producing business. Staff recommends adding this to the request to re-designate for Lincoln City. This option is currently included in the Resolution.

### Action:

Consider approval of Resolution 2021-21: A RESOLUTION AUTHORIZING APPLICATION FOR RENEWAL AND A CHANGE OF BOUNDARY FOR THE LINCOLN COUNTY ENTERPRISE ZONE WITHIN THE CITY OF LINCOLN CITY

# Council Communication

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## City EV Charging Stations - Update + Next Steps

Meeting Date: May 10, 2021                      Primary Staff Contact: Alison Robertson  
 Department: Economic Development            E-Mail: alisonr@lincolncity.org  
 Secondary Dept: Parks and Recreation        Secondary Contacts:  
 Approval: Lila Bradley                              Estimated Time: 15 Min

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### Question:

Should the City Council continue to with the current Electric Vehicle program which offers free charging for the public charging stations?

### Background:

Lincoln City was the first on the coast to install four public charging stations for electric vehicles (EVs). Free charging has been offered since they were installed in December 2009. We received positive local press and a visit from Congressman Kurt Schrader. Other private charging installations include the AeroVironment (changed to Webasto Charging Systems, Inc; and now EV Charging Solutions, Inc.) which is a partnership project with ODOT's Electric Highway Project (2013), and the Tesla Chargers located at the Lincoln City Outlets (2015).

2010 Acquisition & Installation of City Charging Stations:  
 Explore Lincoln City (formerly the Visitors & Convention Bureau) paid about \$25,000 for the first six (buy 1 and get 1 free) Coulomb charging stations.

Four were installed by the Urban Renewal Agency and two were kept upstairs (which were later used for spare parts as the stations aged and needed maintenance). Costs were estimated as less than \$10,000.

2010 (November) is when the Nissan LEAF and Chevrolet VOLT were released.

2013 ODOT Partnership – Electric Vehicle Highway Project:  
 Lincoln City assisted ODOT and their contractor in finding a publicly owned property to locate their charging station. City Council selected the DeLake School Building/Lincoln City Cultural Center location for this use.

- City entered into agreement with AeroVironment (ODOT's operating contractor)
- \$4,405 Urban Renewal (Kauffman Excavating Inc.) construction of one parking island
- \$545 for one lamp post
- This station can be used by any vehicle.
- The station costs money to charge a vehicle, the owner (EV Charging Solutions, Inc.) pays for all maintenance and the City receives 5% of owner's gross revenues for that station.

The AeroVironment station (now owned by EV Charging Solutions, Inc.) at the Cultural Center was paid for by AeroVironment as part of the ODOT West Coast Electric Vehicle Highway (this means they pay for maintenance and electricity). They also paid for installation of the equipment, and Urban Renewal installed a landscaped island with a lamppost as an example of how the Cultural Center parking lot could look if it were redone (\$545 for the lamp post + \$4,405 12/11/13).

The City receives a revenue check each year (5% of gross revenues each year) from EV Charging Solutions. These funds go into the City's General Fund to help offset expenses for the program.

|      |          |
|------|----------|
| 2013 | \$46.34  |
| 2014 | \$299.30 |
| 2015 | \$371.08 |
| 2016 | \$273.85 |
| 2017 | \$219.34 |

#### 2015 Tesla Partnership:

- Assisted Tesla staff with identification of potential site locations and property owner contact information
- Bank of Tesla charging stations were installed at the Lincoln City Outlet Mall (private property) and can be used only by Tesla vehicles.

#### 2017 Upgrades to City Stations:

Two of the stations were upgraded in 2017 with two new podiums, each having the ability to serve as two chargers, so it was technically adding four new charging stations. This shows online as three "stations" at Taft and three at OceanLake.

#### Total Investment & Operations Costs (Public Chargers Only):

The expenses related to EV (\$38,521):

- \$26,635 initial spend to purchase and install EV stations (15<sup>th</sup> & 51<sup>st</sup>) (thru 12/01/10)
- \$10,000 (max) estimated installations costs
- \$3,573 in maintenance (08/09/2011 to 7/19/17)
- \$6,400 for hardware upgrade (08/07/27 & 10/16/17)
- \$1,913 for software upgrade (08/31/18)

Electric vehicles registered in the area including zip codes 97367, 97368 and 97388 – Otis to Gleneden - 55 registered EV vehicles (01/27/19)

Pacific Power is offering a grant for charging stations – but the grants are for the cost and installation of new charging infrastructure and not for ongoing operations or “right-sizing”. We contacted Andrew Dick, ODOT’s Connected, Automated, and Electric Vehicle Advisor to help us determine whether or not we had a use for these funds; whether we should downsize the number of units we have; whether the private sector should be providing these services.

Regarding private industry supplying these charging locations, Andrew indicated that, if we were in Portland Metro, or along I-84 or I-5, we would see more private business investing in charging stations. He says it’s a “chicken and egg problem”; until there are more EV’s on the road, they don’t want to invest. People won’t buy EV’s if they can’t charge them. So, here on the coast

and in more rural areas of Oregon, there is going to be an ongoing need for some public support for EV charging.

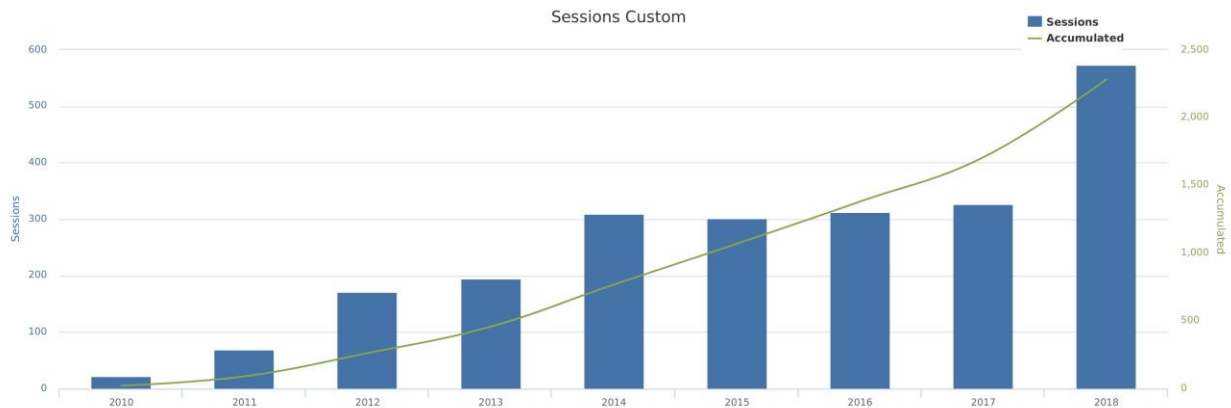
Andrew felt that the number of EV stations we have is useful since there aren't many (only 1) alternatives.

We obtained meter readings from Pacific Power to try and determine how much power the units were using but, because the meters share electricity with other uses (public restroom and parking lot lights) Andrew didn't think the numbers were quite accurate. He did think that the numbers showed the "huge uptick" in 2018, which mirrored state-wide trends.

Andrew indicates we could charge \$.39 to \$.49 per KWH to cover some of our expenses - he thought this might raise between \$1,700 and \$2,100 annually. But he cautioned that if we start charging, we may lose some of our base customers (but these are likely locals charging their cars for free). And in order to charge an increased rate we may need to install a separate electrical line with meter (costs unknown).

Andrew also suggested we check out DEQ's Clean Fuels Program to sell credits - top dollar in 2019 is \$200 per credit. He thought we could raise another "couple hundred dollars".

We have software assurance until August, 2020. Usage continues to increase. The graph below shows the number of charging sessions per year from 2010-2018.



As of 2018, operations and maintenance have been transferred from Public Works to Parks & Recreation. Urban Renewal/Economic Development staff is assisting Parks & Recreation in future planning for the City's Electric Vehicle Charging Stations.

**Council Options:**

- 1) Continue current levels of operations and maintenance (Parks & Recreation budget).
- 2) Reduce number of EV Charging Stations (eliminate 1 charging "head" at NE 15<sup>th</sup> Street and SW 51<sup>st</sup> Street) as hardware (or software) becomes obsolete.

- 3) Remove all City-owned EV Charging Stations as hardware (or software) becomes obsolete.

**Financial Impact**

In about 10 years, the costs have been roughly \$47,000, not considering staff time. The attached (Exhibit A) shows the costs of upgrades over the years to support the program offering free EV charging.

**Potential Motions:**

Some options are described above. Staff awaits discussion and direction for next steps.

**Attachments:**

Exhibit\_A\_2019\_0124\_Attach\_Costs\_EVStations (PDF)

| Date       | Vendor  | PO Number | Invoice Number | Amount        | Notes  |
|------------|---|-----------|----------------|---------------|--|
| 12/22/2009 | Charge NW (995306)                            |           |                | \$ 22,610.00  | Initial purchase   |
| 12/28/2009 | K2 Electric (995317)                          | 17070     |                | \$ 3,035.00   | "51st Street Charging Stations (2) "   |
| 3/16/2010  | K2 Electric (995317)                          | 17303     | 77             | \$ 480.00     | "Install breakers, wire, permit & inspection & labor to Car charging station at NE 15th" |
| 12/1/2010  | K2 Electric (995317)                          | 18502     |                | \$ 510.00     | "Trade out power supply for car charging stations on SW 50th St & NE 15th St (110-220)"  |
| 8/9/2011   | K2 Electric (995317)                          |           | 360            | \$ 85.00      | "Car charging head replacement"  |
| 10/2/2012  | K2 Electric (995317)                          |           | 550            | \$ 85.00      | "Car charging station change out"  |
| 10/28/2014 | Charge NW (995306)                            |           |                | \$ 1,745.00   | Replacement parts - Taft   |
| 5/28/2015  | Western States Electric Construction (992530) |           | 11969          | \$ 212.50     | "Labor/Service call Elec charging station @50th & 51st Streets"                          |
| 6/22/2015  | Western States Electric Construction (992530) |           | 11999          | \$ 170.00     | "Service call-Elec Vehicle Charging Station in Taft"                                     |
| 9/8/2016   | Tesla Chargers online                         | -         | -              | -             | Located at Mall  |
| 4/21/2017  | Western States Electric Construction (992530) | 28049     | 14061          | \$ 415.00     | "Trouble shooting at the electric vehicle charging station on NE 15th St."               |
| 5/31/2017  | Western States Electric Construction (992530) |           | 14241          | \$ 765.50     | "Service call - 15th Street Charging Station"  |
| 7/19/2017  | Western States Electric Construction (992530) |           | 14434          | \$ 95.00      | "Service Charge - Charging Stations"   |
| 8/7/2017   | Charge NW (995306)                            |           |                | \$ 3,199.00   | 15th Street Upgrade  |
| 10/16/2017 | Charge NW (995306)                            |           |                | \$ 3,199.00   | Taft Street Upgrade  |
| 12/5/2017  | K2 Electric (995317)                          | 28758     |                | \$ 237.50     | "Labor to repair R & R Chargin Statino in Taft   |
| 8/31/2018  | Charge Point (998329)                         |           |                | \$ 1,913.70   | Software Upgrade   |
|            | Electrical Service 2009-2017                  |           |                | \$ 9,830.40   | Estimated costs based on pre/post EV install   |
|            | Revenue from AeroVironment                    |           |                | \$ (1,209.91) | Account  |
|            |   |           |                | \$ 47,377.69  |  |