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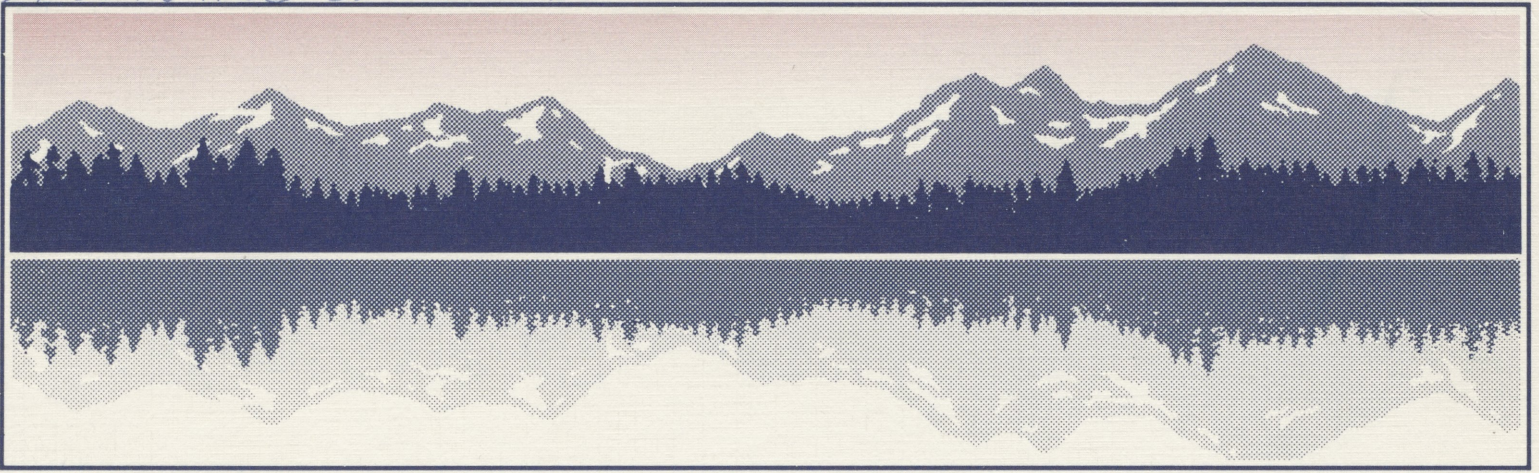
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Economic conditions



WITHDRAWN

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ECONOMIC DEVELOPMENT IN NEWPORT

by

Cindy Kaseberg Brown

and

Kenneth Hobson

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INTRODUCTION

This section reviews a 1988 survey of the business community on economic development issues, summarizes survey results, and presents economic development goals and potential projects identified by a citizens group together with City staff.

ECONOMIC DEVELOPMENT SURVEY

As part of the City of Newport's period comprehensive planning review, citizen involvement was sought for the economic development section of the plan. City staff was interested in including economic development goals which would reflect local needs and concerns. A questionnaire was developed to survey the business community on a wide variety of economic development issues. Topics included an assessment of Newport's current economic climate, individual businesses economic projections, perceptions of various sectors of the economy, area strengths and weaknesses in economic development, and review of organizations involved in economic development activities in the area. An optional section gathered information from businesses regarding number of years in Newport, employees and payroll, sales, and future expansion plans.

Approximately 530 surveys were mailed to businesses throughout the City, accompanied by the cover letter from the Mayor. Newspaper coverage discussed the City's objective of building a stronger partnership between the City and other agencies that are interested in promoting private business by examining strengths and weaknesses, as well as by reflecting the needs of the business community in the City planning process.

The City received 120 responses to the survey for a 23 percent response. Staff compiled the responses, which were then presented to the Mayor and City Council. The Assistant City Manager stated that the survey results were of value because of "what our business community and residents told us about ourselves, our priorities, and what we might do in order to respond more effectively to the real challenges that are always present."

SURVEY FINDINGS AND RESULTS

The 4-page questionnaire consisted of five main sections. These included (1) characterization of the current economic climate, (2) evaluation of various sectors of the economy, (3) assessing Newport's strengths and weaknesses for economic development, (4) reviewing local organizations involved in economic development efforts, and (5) identifying major issues facing Newport today and in the future. The optional business section included questions about the business owner, the business itself, current level of business activity, and future plans.

Characterization of Economic Climate

The first section of the survey dealt with an overall characterization of the current economic climate in Newport. Respondents were asked to rank their perceptions of the current economic climate, list factors that influenced this, rank their short-term economic projections for their own business or organization, and to list factors that influenced this ranking.

Survey respondents were overwhelmingly upbeat when reviewing the current economic climate in Newport. Over 90 percent of the responses were on the upper part of the scale (on a level of 1 to 10), which listed descriptions such as "holding steady" to "booming". Nearly 12 percent of all respondents characterized the local economy as "booming," which corresponded to a 9 or 10 response. According to City staff analysis, these results corresponded very closely to the personal experience of those business people who completed the one-page optional survey. Factors that influenced respondents' positive characterization of the local economy included growth of businesses, tourist traffic, and personal business conducted. The future outlook was also

favorable, as all but four respondents indicated that the short-term projection for their business would be on the positive side (between a 6 and 10 rating). The most commonly cited reason for this was a growing market, which reflects both Newport's local growth and the increasing tourist and retirement trade.

Evaluation of Economic Sectors

The second portion of the questionnaire evaluated the respondent's impression of the following sectors of the local economy: business, tourism, industry/manufacturing, marine research and development, commercial fishing, timber/wood products, and general economic development. Respondents were asked to rank these sectors on a scale of 1 to 10, with 1 reflecting a pessimistic evaluation and 10 reflecting an optimistic evaluation.

Tourism, viewed as the economic sector with the most optimistic outlook, was given a 9 or 10 rating by 35 percent of the respondents and a 7 or 8 rating by 55 percent. The second place ranking was given to marine science and development. In third position were both business and commercial fishing. Timber and wood products, and industry and manufacturing were evaluated less optimistically. Over 67 percent of the respondents gave the sector of industry and manufacturing a ranking of less than 6. These perceptions reflect the recent economic trends presented in Section 3 of this report, as well as the specific local economy in Newport.

Assessment of Newport Strengths and Weaknesses

In the third section of the questionnaire, respondents were asked to review a fairly detailed list of community characteristics and choose those they felt were strengths and weaknesses for economic development efforts. These community characteristics included the following 11 general categories:

- * Quality of life (climate, natural setting, recreation, cultural, leadership);
- * Community support and services (cost of living, housing, medical, education, shopping);
- * Land acquisition and development (site availability and costs, zoning, land use regulations, available building space);
- * Tax structure (local property taxes, state taxes);
- * Utility services;
- * Transportation services (air, motor freight, port, rail, public transit, highway access);
- * Government services;
- * Labor (supply of skilled and trainable labor, cost, union presence/history);
- * Business support and services (quality and availability, government attitude toward business, community attitude toward business, overall proficiency in promoting economic development);
- * Natural resources (availability of and access to raw materials and supplies);
- * Image and potential (how others view the area, recreational potential, tourism, business climate).

Those completing the questionnaire were asked to select 10 items as strengths and 10 items as weaknesses from this list. In addition, respondents were asked to indicate items that were critical to their ability to do business in Newport. Characteristics that were chosen by more respondents had higher scores than those selected a fewer number of times. Of the 120 surveys received, there were approximately 2,230 listings of strengths and weaknesses. This averages 18 per survey, which means most respondents took the time to list 10 strengths and 10 weaknesses, for a total of 20.

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City staff measured the ranking of strengths and weaknesses by totalling the number of responses to an item in the following manner: if a characteristic was chosen by 20 respondents as a strength (a positive item) and chosen by 2 respondents as a weakness (a negative item), the overall score would be +18. Similarly, if an item was chosen as a strength five times and as a weakness ten times, the overall score would be -5.

In comparing scores, an item with a high positive score was determined to be a greater strength than an item with a lower, but still positive score. An item with a negative score was considered to be a weakness. The largest a negative score was, in terms of absolute value, the lower ranking this characteristic received from the respondents.

Newport strengths

Table 3-1 lists both the general categories and the specific characteristics that were most highly rated as strengths. Survey respondents overwhelmingly perceived Newport's major strengths to be quality of life, business support and services, and image and potential. These three categories represented 958 (over 43 percent) of the total responses to this portion of the questionnaire.

TABLE 3-1
CITY OF NEWPORT
SURVEY RESULTS OF NEWPORT STRENGTHS

PERCEIVED NEWPORT STRENGTHS	
GENERAL CATEGORIES	SCORE
QUALITY OF LIFE	+299
BUSINESS SUPPORT/SERVICES	+165
IMAGE AND POTENTIAL	+154
SPECIFIC CHARACTERISTICS	SCORE
NATURAL SETTING	+86
RECREATIONAL POTENTIAL/TOURISM	+66
HOW OTHERS VIEW THE AREA	+63
COMMUNITY COOPERATION	+53
RECREATIONAL OPPORTUNITIES	+51

SOURCE: CITY OF NEWPORT QUESTIONNAIRE, SEPTEMBER 1988.

Respondents chose Newport's quality of life as the greatest community asset for economic development. Overall, 84 percent of the responses in this category for this category indicated the listed characteristics as strengths. The total calculated for the category of quality of life was +299. The quality of life indicators, which included climate, natural setting, recreation, cultural opportunities, and leadership in the community, were rated extremely high. These five quality of life indicators were included in the top 10 scoring characteristics. Newport's natural setting received the highest ranking as an quality of life asset to the community, with a score of +86. This score represents 89 respondents selecting "natural setting" as a strength and 3 respondents choosing it as a weakness. Other high scores in this category included community cooperation with +53 and recreational opportunities with +51.

Newport's business support and services category ranked as the second highest, with a score of +165, as a positive asset for economic development. These indicators included quality and availability of business support services, government attitude toward business, community attitude toward business, and overall proficiency in promoting economic development. The community attitude toward business was a high scoring strength, with a score of +37.

The image and potential of Newport ranked as the third highest overall strength, with a score of +154. These indicators included how others view the area, recreational potential, tourism, and business climate. Overall, 88 percent of the responses in this category indicated the listed characteristics as strengths. Recreational potential and tourism was the second highest rated individual characteristic, with a score of +66. "How others view the area" was the third highest characteristic, with a score of +63.

Newport Weaknesses

Table 3-2 lists both the general categories and the specific characteristics that were generally perceived as being weaknesses for economic development. Survey respondents perceived Newport's major weaknesses for economic development to be the categories of tax structure, transportation services, land acquisition and development. However, one specific characteristic that was not included in these four categories was selected as the major weakness facing Newport: the issue of housing. Housing received a score of -57, the lowest overall scoring characteristic.

TABLE 3-2
CITY OF NEWPORT
SURVEY RESULTS OF NEWPORT WEAKNESSES

PERCEIVED NEWPORT STRENGTHS	
GENERAL CATEGORIES	SCORE
TAX STRUCTURE	-77
TRANSPORTATION SERVICES	-63
LAND ACQUISITION AND DEVELOPMENT	-48
SPECIFIC CHARACTERISTICS	SCORE
HOUSING	-53
AIR TRANSPORTATION	-47
HIGHWAY TRANSPORTATION	-47
LOCAL PROPERTY TAXES	-45
SUPPLY OF SKILLED LABOR	-30

SOURCE: CITY OF NEWPORT QUESTIONNAIRE, SEPTEMBER 1988.

Respondents felt Newport's tax structure was a significant weaknesses for economic development, both in terms of high local property taxes and state tax structure. Overall, 84 percent of the responses for this category indicated the listed characteristics as weaknesses. Local property taxes were the third rated weaknesses, with a score of -45.

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Transportation services was ranked as the second most serious weakness facing Newport. Overall, 59 percent of the responses in this category indicated the listed characteristics as weaknesses. The transportation characteristics listed included air, motor freight, deep water port, rail, public transit, and highway access. The lack of public air transportation and poor highway access were tied as the second ranked weaknesses, with scores of -47. Rail transportation received a score of -30. However, respondents rated the deep water port as a one of Newport's top ten strengths, with a score of +32.

Land acquisition and development was the third most serious general category of weakness for Newport. This category included availability of sites with existing services, expense of land and site development, LCDC rules and procedures, pollution control laws, zoning and other local land use regulations, and availability of suitable commercial and industrial buildings. Within this category, the lowest scores were for expense of land and site development (-15) and LCDC rules and procedures for land acquisition, planning, and development (-15).

Factors Affecting Ability to Do Business

Respondents were asked to identify those factors which are critical to their ability to do business. As a general category, tax structure was rated most critical. The significance can be seen when the characteristics of local property taxes and state taxes were identified in the survey as major weaknesses. The next most critical general category was quality of life factors, which survey respondents significantly selected as a strength for Newport. The specific characteristics identified as being critical for business included local property taxes and housing.

Local Organizations Involved in Economic Development

The fourth portion of the questionnaire was designed by City staff to determine citizens' perceptions of the local organizations involved in economic development, and to gain an understanding of which organizations should coordinate and/or lead these efforts. Eight different organizations that are currently active in some aspect of economic or community development were listed. These included the Oregon Economic Development Department (OEDD), the District 4 Council of Governments (COG), the Yaquina Bay Economic Foundation (YBEF), Lincoln County, the Port of Newport, the City of Newport, the Greater Newport Chamber of Commerce, and the Small Business Development Center (SBDC).

Survey respondents generally felt the level of organization among local organizations and community leaders involved in economic development to be good. On a scale of 1 to 10, with 1 signifying inefficient and 10 signifying efficient, over 57 percent of the responses were on the upper end of the scale.

In analyzing which organization currently coordinated or led economic development efforts to the greatest extent, 60 percent of the respondents indicated either the Chamber and the City. Yaquina Bay Economic Foundation was in the third position, followed by the Port. The remaining organizations were not seen to be significantly involved in local economic development efforts.

The follow-up question was which organization should coordinate and/or lead local economic development efforts. Survey respondents selected the City as their first choice (29 percent), closely followed by the Chamber (21 percent). This was followed by a virtual tie between the Port, YBEF, and Lincoln County, with each receiving about 14 percent of the total responses. City staff felt that the numbers seemed to express a desire on the part of the community for a much more enhanced role in economic development for both the Port and the County, while continuing the strong leadership the Chamber, City, and YBEF have shown. Specific suggestions for activities these organizations could perform included:

- * Resource coordination and focus of effort,
- * Continuing to promote tourist activities and accommodations,
- * Giving direction to economic development efforts,

- * Demonstrate progressiveness,
- * Supporting small businesses,
- * Focusing on transportation needs.

Issues Facing Newport

The final section of the questionnaire asked respondents to indicate what they felt were the major issues or needs in Newport today and in the future. As shown in Table 3-3, the top current issues included transportation and the need for direction and meeting Newport's potential. Housing needs and a more diversified economic base were also mentioned by significant numbers of people.

TABLE 3-3
CITY OF NEWPORT
SURVEY RESULTS OF MAJOR ISSUES AND NEEDS

DESCRIPTION	PERCENT OF RESPONSE
<u>MAJOR ISSUES OR NEEDS TODAY:</u>	
TRANSPORTATION	27%
DIRECTION AND FULFILLING POTENTIAL	12%
HOUSING	10%
BALANCED INDUSTRIES	10%
<u>MAJOR ISSUES OR NEEDS IN FUTURE:</u>	
TRANSPORTATION	24%
INDUSTRIES	17%
HOUSING	8%

SOURCE: CITY OF NEWPORT QUESTIONNAIRE, SEPTEMBER 1988.

Other current issues listed included planning better traffic control, updating the airport, tourism, the need for more businesses and industry, developing opportunities and direction for youth, lowering taxes, improving education, balancing growth with the environment, providing better child care facilities, and promoting port activities.

The issues perceived to be most crucial to Newport's future were identified as transportation and diversifying the economic base. Specific examples of these general desires included traffic control and the airport (transportation) and general economic growth (diversifying the economic base). Other concerns included tourism, education, jails and crime, city services, balance throughout the community, utilities, organizations working together, developing jobs not related to tourism, and preserving Newport's small town feeling.

The final question in the survey asked respondents to list the way their firm or organization would be most likely to contribute to Newport's future economic development. Over 62 percent of the responses were to provide continued services and jobs. Other responses included continued community involvement, adding new businesses, providing cultural opportunities, and promoting the city.

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Optional Business Section

The optional business section of the survey was completed by 96 business owners, for an 18 percent return ratio of the 530 surveys sent out. City staff tabulated this information, which was kept confidential and used only for planning and informational purposes. The first questions addressed the business owner's length of residency in Newport and position held in the business or organization. Respondents averaged 14.97 years as a Newport resident, with about 57 percent of the respondents were the owner of their particular business, and 22 percent the manager of the business. These businesses had been established in Newport for an average of 21.77 years.

The next portion of the optional business section collected information on number, type, and approximate annual wages of employees or members. As shown in Table 3-4, these businesses represented approximately 815 full-time employees and approximately 240 part-time employees. The number of "full-time equivalent" (FTE) jobs represented by these employees average 10.03 FTEs per business. Annual wages for full-time employees were in the \$7,500 to \$15,000 range for 36 percent of these employees, and in the \$15,000 to \$25,000 range for 28 percent. Annual wages of \$25,000 to \$35,000 were the average for about 19 percent of these full-time employees. An additional 13 percent of these full-time employees earned over \$35,000; while about 4 percent earned under \$7,500 a year.

TABLE 3-4
CITY OF NEWPORT
SURVEY RESULTS OF BUSINESS EMPLOYEE INFORMATION

FULL-TIME EMPLOYEES		
<u>ANNUAL WAGES</u>	<u>NUMBER</u>	<u>PERCENT</u>
UNDER \$7,500	32	4%
\$ 7,500 - \$15,000	294	36%
\$15,000 - \$25,000	232	28%
\$25,000 - \$35,000	157	19%
\$35,000 - \$45,000	64	8%
OVER \$45,000	36	4%
TOTAL	815	100%

PART-TIME EMPLOYEES		
<u>ANNUAL WAGES</u>	<u>NUMBER</u>	<u>PERCENT</u>
UNDER \$2,500	45	19%
\$ 2,500 - \$ 5,000	128	53%
\$ 5,000 - \$10,000	39	16%
\$10,000 - \$15,000	24	10%
\$15,000 - \$20,000	4	2%
OVER \$20,000	0	0%
TOTAL	240	100%

SOURCE: CITY OF NEWPORT QUESTIONNAIRE, OPTIONAL BUSINESS SECTION, SEPTEMBER 1988.

About 53 percent of the part-time employees earned between \$2,500 and \$5,000 per year, with 19 percent earned less than \$2,500 per year. About 16 percent of these part-time employees earned \$5,000 to \$10,000, and 10 percent earned \$10,000 to \$15,000.

Respondents to the optional business section of the questionnaire were about evenly in terms of owning or leasing the property where their main Newport office was located, with 53 owning and 40 leasing. The local market is very important to these businesses, as they averaged about 72.64 percent of their total sales to people in the Newport area. In addition, about 49.66 percent of their materials, equipment, and service needs were provided by local suppliers. About 69 percent of these businesses' employees were lived within the City of Newport, with 21 percent living outside of the City but within 10 miles of Newport. About 10 percent of these employees lived over 10 miles away from Newport.

Businesses appeared to be doing well in 1988, as 61 percent of the respondents stated that their present level of activity was equal to or greater to their historical level of business or organizational activity. About 30 percent of these businesses stated that their business was exceeding historical levels. This optimism was also reflected in the statements by almost half of the respondents that they had immediate plans for the expansion of their physical plant, and about a third stated that they planned to increase their number of employees. These businesses estimated that they would be hiring a total of 85 new full-time employees and 54 part-time employees. The factors identified as being most critical for future expansion by businesses included business load, zoning, upgrading businesses, a new jail, and upgrading sewers.

ECONOMIC DEVELOPMENT GOAL SETTING

Two follow-up economic development meetings were held with by City staff with survey respondents who had expressed an interest in reviewing the questionnaire results and working with the City in further economic development planning. Between 20 and 30 local businesspersons, community leaders, and concerned citizens attended these meetings, and provided excellent input to City staff on topics including perceptions of current economic conditions, goals and objectives for economic development, and brainstorming potential projects and policies for economic development in Newport.

At the first meeting, the group developed general goals and areas of focus for economic development planning in Newport. These general areas were:

- * Maintain/improve public and private infrastructure,
- * Quality of life/environment/community services,
- * Diversify and enhance the local business climate.

The group then conducted a brainstorming session, in which many ideas were generated for these three main topic areas. These ideas were recorded, and reviewed at the second meeting. At this second meeting, the group developed and prioritized project ideas or strategies for achieving these general goals. The following section summarizes the group's observations and findings for each general area, and presents project ideas or strategies for achieving economic development.

Maintain/Improve Public and Private Infrastructure

The first general area of concern was to maintain and/or improve the public and private infrastructure in Newport. Infrastructure was perceived as the foundation upon which all economic development and growth rested, and included housing as well as utilities and streets. As identified in the survey results, the lack of housing opportunities for all income levels was selected as a major constraint to future growth in Newport. The group stated that housing related to everything: growth, labor force, and livability. In Newport, there is a need

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for both higher income housing for researchers and federal employees as well as low or moderate income housing for service and industry workers. Major problems contributing to the housing problem in Newport were perceived as the negative impact of tax law changes on subsidized low income housing, the lack of profitability in building apartments, and the increasing cost of housing at the upper end of the market due to demand.

Table 3-5 lists top priority ideas or strategies for the housing and infrastructure problems faced by Newport. This list included city, county, and/or state partnerships for innovative housing efforts. The idea of rooming houses with common kitchens was presented as a housing alternative for singles and service workers. Reducing the costs of subdividing land was seen as a solution, as well as supporting cooperation with potential developers.

TABLE 3-5
CITY OF NEWPORT
STRATEGIES TO MAINTAIN/IMPROVE PUBLIC AND PRIVATE INFRASTRUCTURE

TOP PRIORITY PROJECTS

- * CITY, COUNTY, AND/OR STATE PARTNERSHIPS FOR INNOVATIVE HOUSING EFFORTS
- * ROOMING HOUSES WITH COMMON KITCHENS FOR SINGLES/WORKERS
- * REDUCING COSTS OF SUBDIVIDING LAND
- * SUPPORTING COOPERATION WITH LOCAL DEVELOPERS

MEDIUM PRIORITY PROJECTS

- * DEVELOPMENT OF ADEQUATE WATER AND SEWER SYSTEMS IN S. BEACH
- * CONTINUED STREET IMPROVEMENTS IN RESIDENTIAL AREAS
- * CREATING BICYCLE, WALKING, AND RUNNING PATHS

LOW PRIORITY PROJECTS

- * VACATING UNNEEDED PUBLIC RIGHT-OF-WAY, PROMOTING FOR DEVELOPMENT

INAPPROPRIATE PROJECTS AT THIS TIME

- * ACQUISITION OF TIMBER LAND EAST OF NEWPORT FOR HOUSING
 - * DEVELOPMENT OF HIGHWAY SOUTH OF BAY TO TOLEDO
-

SOURCE: NEWPORT ECONOMIC DEVELOPMENT MEETINGS, DECEMBER 15, 1988 AND JANUARY 18, 1989.

Medium priority ideas included the development of adequate water and sewer systems in South Beach; continued street improvements in residential areas including widening and paving; and creating bicycle, walking, and running paths throughout Newport. A low priority was vacating unneeded public right-of-way and promoting these for development. Strategies deemed inappropriate at this time by the group included the acquisition of timber land to the east of Newport for housing and the development of a highway up the south side of Yaquina Bay to Toledo.

Quality of Life/Environment/Community Service

The second general area of concern was to preserve and improve the existing quality of life in Newport, including environmental issues and the level of community service. Observations by the group on this issue included a large number of concerns, including the importance of the tourist season to businesses such as the

hospital as well as the expected motel, restaurant, and retail trade; the potential of the Instrument Landing System at the airport; and the importance of support from the city and community for Urban Renewal.

The group felt child care at the hospital and other businesses should be encouraged and promoted, and the problems of liability and profitability addressed. The hospital was viewed as an asset that could be marketed more in the region as a source for quality health care services. However, the problem of high health care costs was also discussed. The need for continued drug and alcohol treatment and awareness programs in the community was highlighted.

Other observations included the problems of rapid growth experienced by the Ocean Shores Community College Service District, and its inability to provide all services desired, such as the nursing training program. More development by the Port of Newport may focus more attention upon highway improvement needs. Finally, the group felt Newport residents needed to be aware of how political issues affect the community, such as land use planning and forestry cut limitations.

As shown Table 3-6, top priority project ideas focused on transportation and development guidelines. The improvements of Highways 20 and 18 to acceptable standards was a top priority need. The group consensus was that Newport needs to maintain pressure politically by being proactive concerning such state programs as

TABLE 3-6

**CITY OF NEWPORT
STRATEGIES TO MAINTAIN QUALITY OF LIFE/ENVIRONMENT/COMMUNITY SERVICES**

TOP PRIORITY PROJECTS

- * IMPROVEMENT OF HIGHWAYS 20 AND 18 TO ACCEPTABLE STANDARDS
- * POLITICALLY PRO-ACTIVE IN TRANSPORTATION ISSUES IN STATE
- * DEVELOP COMMUTER AIR SERVICE TO NEWPORT
- * DEVELOPMENT GUIDELINES FOR NYE BEACH HISTORICAL/AESTHETIC VALUES
- * ENFORCE BEAUTIFICATION AND NUISANCE ABATEMENT STANDARDS
- * SEEK MORE COOPERATION REGIONALLY, CREATE FORMAL INTERAGENCY GROUP

MEDIUM PRIORITY PROJECTS

- * ANNUAL CITY CLEAN UP EFFORT
- * PROMOTING ACTIVITIES FOR YOUTH
- * CREATING PUBLIC SPACES FOR COMMUNITY USE (PARKS, PLAZAS)
- * DISCOURAGE STRIP DEVELOPMENT

LOW PRIORITY PROJECTS

- * EXTENSIVE SITE PLAN REVIEW BY CITY
 - * STRICTER SIGN CONTROLS
 - * PARK DEVELOPMENT NEAR POOL AND TENNIS COURTS
 - * SHUTTLE FROM NYE BEACH THROUGH UPTOWN AND DOWN TO BAYFRONT
 - * CREATING ONE-WAY GRID ON HIGHWAY 101 THROUGH NEWPORT
-

SOURCE: NEWPORT ECONOMIC DEVELOPMENT PLANNING MEETINGS, DECEMBER 15, 1988 AND JANUARY 19, 1989.

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"Access Oregon" (Oregon Department of Transportation plan for meeting major transportation needs). Another top transportation issue was to have commuter air service to Newport. Development guidelines were presented as a top priority for development of Nye Beach to maintain historical and aesthetic values; for planning improvements such as parkway along Highway 101; for design review on the bay front and uptown for historic values; and for enforcement to maintain beautification standards in the community. This was mentioned specifically in reference to second hand stores, junked or abandoned cars, debris in empty lots, and neighborhood appearance. A final suggestion was to seek more cooperation regionally, including Toledo, perhaps by creating a formal inter-agency government group.

Medium priority projects including an annual city clean-up effort, creating and promoting activities for youth and perhaps a teen center, and creating more public spaces for community activities, such as plazas or parks. The group felt strip commercial development should be discouraged, in light of the perceived need for development guidelines and concerns about appearance.

Low priority projects included extensive site plan review by the city, stricter sign controls to create a neater appearance in town, park development near the pool and tennis courts, a shuttle from the Nye Beach area through the uptown and down to the bayfront, and the possibility of creating a one-way grid on Highway 101 north and south through Newport.

The group felt there were many areas to be reviewed in terms of quality of life and community service, including an analysis of the repercussions of growth and change on housing, utilities and streets, and the labor pool. It was felt that the overall burden on the community was increasing. Finally, it was suggested that it was important to have citizens involved in community planning, including getting citizen groups together on a regular basis to keep up to date on issues facing Newport.

Diversify and Enhance Local Business Climate

The final area for economic development was to diversify and enhance the local business climate. It was the group's decision to place this third, following the issues of infrastructure and quality of life. This was because the group felt further growth in Newport could place a greater strain on the existing infrastructure and decrease the quality of life for residents.

The major observations were that Newport needs to attract less seasonal business, therefore reducing the existing swings in the economy due to its tourism and natural resource base, and that the community should do long-term planning in terms of the future for tourism.

As shown in Table 3-7, top priority projects included the coordination of diverse elements of the economy through the city or another appropriate entity, and to develop local industries. This could include a more proactive approach to business recruitment, including making more sites available with full utility service, and using semi-industrial sites as incubator facilities for fledgling businesses. Coordination with other communities such as Toledo was felt to be important in promoting complementary economic opportunities. Other top priorities were to regulate and/or reduce street-corner sales, enforce meeting requirements of business licenses including ordinances, and maintaining a mix of retail, fishing activities, and seafood processing on the bayfront.

A medium priority project was to conduct a mass meeting of all local tourist and service industries and businesses, with emphasis on preparing for both existing needs such as housing and labor force, as well as future needs such as changing demographic trends and visitor patterns.

Low priority projects for diversifying and enhancing the local business climate included promoting clean industry and high technology, providing a suggestion box for business needs, and creating a Newport recreation

TABLE 3-7
CITY OF NEWPORT
STRATEGIES TO DIVERSIFY AND ENHANCE LOCAL BUSINESS CLIMATE

TOP PRIORITY PROJECTS

- * COORDINATION OF DIVERSE ELEMENTS OF ECONOMY THROUGH CITY OR OTHER AGENCIES
 - * DEVELOP LOCAL INDUSTRIES
 - * PROACTIVE APPROACH TO BUSINESS RECRUITMENT
 - * MAKE MORE SITES AVAILABLE WITH FULL UTILITY SERVICE
 - * USE SEMI-INDUSTRIAL SITES AS INCUBATORS FOR NEW BUSINESSES
 - * COORDINATION WITH OTHER COMMUNITIES
 - * REGULATE/ENFORCE STREET CORNER SALES, ENFORCE BUSINESS LICENSES
 - * MAINTAIN A MIX OF ACTIVITIES AND BUSINESSES ON BAYFRONT
-

SOURCE: NEWPORT ECONOMIC DEVELOPMENT PLANNING MEETINGS, DECEMBER 15, 1988 AND JANUARY 18, 1989.

center. A final project was to provide convention facilities for winter and year-round businesses with unique off-season attractions. Coordinated efforts by several motels plus the Urban Renewal group for a future convention center was also suggested as a future focus.

Other Project and Strategy Ideas

The group developed a large number of projects and strategy ideas that could be utilized in future planning efforts by the City of Newport. These ranged from identifying needs in the community to tourism suggestions to focusing on education. The following list summarizes a few of these suggestions:

Community needs: a marine research and development plan obtaining federal projects on ocean research; promote a deep water port; deal with the bridge as a constraint to smooth traffic flow; take advantage of available part-time workers' skills.

Tourism: promote surf-sailing; provide child care for visitor's children; establish a central dispatch for bed and breakfast facilities provide a high level of service to visitors; a family-oriented dinner, dancing and entertainment facility; a modestly priced natural foods restaurant; miniature golf course; bowling facilities.

Education and training: provide locally-oriented technical and vocation education and training for both youth and adult workers; expand the programs of the Oregon Coast Community College Service District to meet local needs; utilize retired residents as mentors to students and businesses; use empty public schools during vacation periods as classroom training in subjects such as food service, marketing, public relations, and room management.