



# CITY OF CANNON BEACH

## AGENDA

Meeting: City Council Work Session and Special Meeting  
Date: Tuesday, December 12, 2023  
Time: 6:00 p.m.  
Location: Council Chambers, City Hall

### CALL TO ORDER AND APPROVAL OF AGENDA

### PUBLIC COMMENT

*The Presiding Officer will call for statements from citizens regarding issues relating to the City. The Presiding Officer may limit the time permitted for presentations and may request that a spokesperson be selected for a group of persons wishing to speak.*

### DISCUSSIONS

- (1) **Chamber of Commerce Quarterly Meeting**
- (2) **Finance 4<sup>th</sup> Quarter Report**
- (3) **Lifeguard Program Discussion**
- (4) **Haystack Rock Violation – Penalty Language**

### **CLOSE WORK SESSION AND OPEN SPECIAL MEETING**

- (6) **Resolution 23-24 for the Purpose of Approving Changes to the FY 2023-2024 Budget by Increasing Appropriations in the General Fund To Allow for a Capital Outlay for the Purchase of a Roof, Doors, and a Cover For The UTV**  
*If Council wishes to adopt Resolution 23-24 the appropriate motion is in order*
- (5) **Resolution 23-25 for the Purpose of Approving Increases and Decreases to the FY 2023-2024 Budget by Making An Intrafund Transfer of Appropriations and Water Resiliency Phase 1 – Seismic Improvements Construction Project Award**  
*If Council wishes to adopt Resolution 23-25 and approve the award, the appropriate motion is in order.*
- (7) **Resolution 23-26 a Resolution Declaring the Need to Acquire Certain Real Property for Drainage Project and Resolution 23-27 a Resolution Declaring the Need to Acquire Certain Property For Water Utility Improvements for a Looped Water System**  
*If Council wishes to adopt Resolution 23-26 and 23-27 the appropriate motions are in order*
- (8) **Tree Removal Permit to Remove a 50 Inch Spruce Tree as Part of the Development.**  
*If Council wishes to approve or deny the application the appropriate motion is in order*
- (9) **Approval for Findings of Fact for DRB 23-19**  
*If Council wishes to adopt the findings, an appropriate motion is in order.*

## (10) Good of the Order

### ADJOURNMENT

To join from your computer, tablet or smartphone

Join Zoom Meeting

<https://zoom.us/j/99261084699?pwd=TkpjbGcxS0pCOGIMOCtSbSsxVWFMZz09>

Meeting ID: 992 6108 4699

Password: 365593

To join from your phone:

Phone: 1.669.900.6833

Meeting ID: 992 6108 4699

Password: 365593

**View Our Live Stream:** View our [Live Stream](#) on YouTube!

**Public Comment:** If you wish to provide public comment via Zoom for this meeting please use the raise your hand Zoom feature. Except for a public hearing agenda item, all Public to be Heard comments will be taken at the beginning of the meeting for both Agenda and Non-Agenda items. If you are requesting to speak during a public hearing agenda item, please indicate the specific agenda item number as your comments will be considered during the public hearing portion of the meeting when the public hearing item is considered by the Council. All written comments received by 3:00 pm the day before the meeting will be distributed to the City Council and the appropriate staff prior to the start of the meeting. These written comments will be included in the record copy of the meeting. Written comments received at the deadline will be forwarded to Council and included in the record but may not be read prior to the meeting.

*Please note that agenda items may not be considered in the exact order listed. For questions about the agenda, please contact the City of Cannon Beach at (503) 436.8052. The meeting is accessible to the disabled. If you need special accommodations to attend or participate in the meeting per the Americans with Disabilities Act (ADA), please contact the City Manager at (503) 436.8050. TTY (503) 436-8097. This information can be made in alternative format as needed for persons with disabilities.*

Posted: 2023.12.08



# CANNON BEACH CITY COUNCIL

## STAFF REPORT

### CHAMBER OF COMMERCE QUARTERLY REPORT

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**Agenda Date:** December 12, 2023

**Prepared by:** Bruce St.Denis, City Manager

## BACKGROUND

Cannon Beach Chamber of Commerce Director Jim Paino will present their quarterly report.

### List of Attachments

- A DMO CITY
- B Clarity of Place
- C Winter Waters
- D Travel Oregon Grant
- E Finances

# **History of the 2015 Transient Lodging Room Tax**

# How this tax came to be...



The Lodging industry and the Chamber of Commerce joined together to request that the CITY increase the TLRT in 2015 by 1%, for the purpose of creating a marketing and promotion.



70% would go to the Chamber marketing committee to promote Cannon Beach. Prior to this tax funding, promotional efforts were limited to events specific promotions. This allowed for Cannon Beach to begin a more comprehensive marketing effort and to represent our community how we wanted to be represented.



30% would go to the CITY of Cannon Beach general fund, which could be used towards whatever the CITY chose.

# What we learned in the throughout the years

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- Marketing for the sake of marketing wasn't always a good practice.
  - General marketing effort to bring more people to town was taken negatively by many in our community.
    - Bus back advertising in Seattle being an example of this.
  - A more defined and directed effort was needed. This realization led to discussion of how to market Cannon Beach going forward and began us down the path to create a DMO (Destination Marketing Organization) at the time.
  - DMO has changed over time (in 2018) to become more encompassing of what is truly important to our community. DMO (Destination Management Organization) is where we have come to today and continues to evolve as we move towards the future.
    - This change to management efforts to help guide visitor to be better stewards of Cannon Beach and, also direct them to more off-season visits. Our goal is to encourage visitors to come who respect our community and love it for the same reasons we do. Love it like a local.
  - Then Covid changed all plans up to this point. We move to a very conservative plan for this program during the pandemic. We went into covid expecting a massive downturn, which we are still recovering from currently.

# 2019 negotiation of the DMO contract

- These efforts began with a third-party audit of funding from the TLRT.
  - Once it was determined that the funding was being managed appropriately, discussion began with the CITY Manager to put a contract together that defined the work and efforts moving forward.
- This negotiation included folding in the Visitor Center operations into the DMO work (\$160,000 per year), which also created a savings for the CITY from the General Fund.
- Importantly for the DMO this provided a stable funding source for the future of these efforts on behalf of Cannon Beach. The added benefit to this funding source is that our efforts would grow along with the CITY and our community needs into the future.

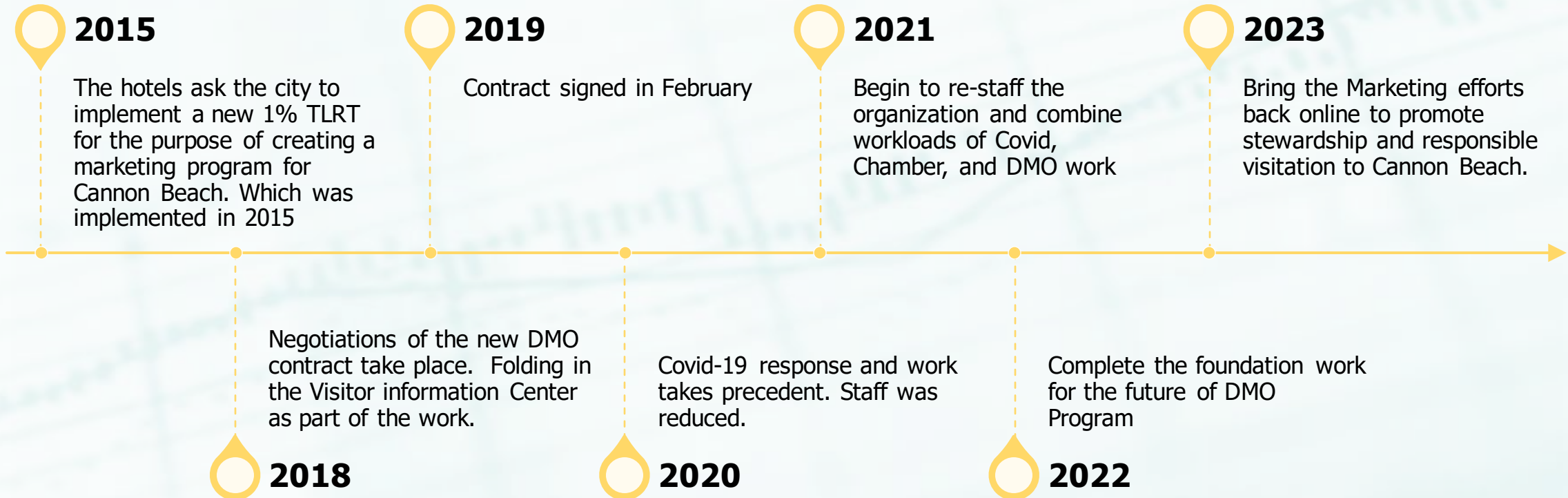
# How far have we come

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- DMO has changed over time (in 2018) to become more encompassing of what is truly important to our community. DMO (Destination Management Organization) is where we have come to today and continues to evolve as we move towards the future.
  - This change to management efforts to help guide visitor to be better stewards of Cannon Beach and, also direct them to more off-season visits. Our goal is to encourage visitors to come who respect our community and love it for the same reasons we do. Love it like a local.
- Then Covid changed all plans up to this point. We move to a very conservative plan for this program during the pandemic. We went into covid expecting a massive downturn, which we are still recovering from currently.
- Stewardship of our community is as much a part of the DMO work as marketing, perhaps more so.
- We also realize that all these efforts, along with that of the CITY, is reliant on the TLRT for every aspect in our community. The adage "Rising tides float all ships" is relevant to the TLRT for it supports all of us. Therefore, it is vitally important to maintain and protect this valuable income stream to Cannon Beach. The Visitor Economy is our only source of funding for us all.



# DMO History



# How the 2015 TLRT benefits DMO & CITY

Year	DMO 70%	CITY GF 30%	VIC savings GF
18-19	400,798.96	171,770.98	135,000.00
19-20	336,104.36	144,044.73	130,000.00
20-21	483,728.88	207,312.38	109,000.00
21-22	518,450.62	222,193.12	148,000.00
22-23	503,103.23	215,615.67	146,000.00
Totals	2,242,186.05	960,936.88	668,000.00
Total TLRT contribution to the CITY with VIC savings:			1,628,936.88

30% of TLRT for CITY is estimated from calculating from the 70% actual amounts.

# Finances

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**The Chamber of Commerce functions on a cash base financial structure. This differs a great deal from the CITY Accrual financial structure.**

We don't count any funding or expenses until it is received or paid. This often crosses over from fiscal year to fiscal year.



**Chamber funding sources which support Chamber efforts and staffing.**

Membership  
Events



**Tourism and Arts funding**

Designated funding to specific projects.  
The same as other non-profit organizations in Cannon Beach.



**DMO funding**

Dedicated to all DMO functions only

- Visitor Information Center
- Marketing Efforts
- Destination Stewardship and management efforts are beginning.
- Staffing and administrative cost of these functions
- No funding from DMO is paid to the Chamber of Commerce or its programs.

## Cannon Beach: Data & Input Needs

1. Cannon Beach Chamber Strategic Plan, marketing plan, communications plan, crisis plan, advocacy plan, and any other internal Chamber of Commerce plans
2. City of Cannon Beach Comprehensive Plan, Parks and Recreation Master Plan, Transit Plan, Capital Plan, and any other community plans
3. Cannon Beach Chamber data & research findings

### Performance data

- Visitor volume (monthly)
- Hotel/lodging/short-term-rental/campsite occupancy (ideally weekly)
- Visitor spending (monthly)
- Activity level at demand drivers
- Transportation usage (traffic counts, shuttle/transit use)
- Beach & Park usage
- Event attendance

### Capacity data

- Hotel room supply (growth over time)
- Short-Term Rental supply (growth over time)
- Road Use (growth over time)
- Park and Beach parking areas by location
- Current list of attractions, especially demand drivers
- Dates for large scale special events or festivals

### Sentiment data

- Resident sentiment survey
- Cannon Beach Chamber survey data
- Visitor satisfaction survey data

### Market data

- Cannon Beach Chamber full budget with line items
- City/municipality relationship (contract)
- Real estate sales and value data
- Property tax assessment data over time
- Workforce data

4. Any other items that could be helpful to the analysis



## **A Regenerative Seafare Series**

Winter Waters does not charge restaurant/chef partners who want to be involved nor do we take a cut of earnings.

The goal is to help generate revenue for local businesses during the winter and raise money for our non-profit partner while having fun with local seafood and sea vegetables.

## **Seaweed Products**

Blue Evolution - available through Corfini and TwoxSea

- Wakame (sugar kelp), whole leaf blanched + frozen
- Kombu (ribbon kelp), whole leaf blanched + frozen

Oregon Seaweed - available through Ocean Beauty and Flying Fish, or direct through Oregon Seaweed

- Dulse, fresh
- Dulse, dried whole leaf
- Dried, dried flakes

\*\*\* if you need product outside of these distributors please contact [alanna@oregonseaweed.com](mailto:alanna@oregonseaweed.com) or [rachelle@blueevolution.com](mailto:rachelle@blueevolution.com) depending on product.

## **2023 Recap**

Year one of Winter Waters debuted in February 2023, with a month-long initiative that included 15+ chef-driven events across Portland and the Oregon Coast. Additionally, chefs featured 30+ menu specials creatively including seaweeds and local seafood. The initiative raised over \$6k for the non-profit partner, Oregon Kelp Alliance, a multi-sector partnership working to protect our wild Oregon kelp forests. Winter Waters activities generated over \$60k in revenue for our event and menu special partners.



## **A Regenerative Seafare Series: Year 2!**

During the month of February 2024, Winter Waters is partnering with chefs and tastemakers in Oregon to celebrate sustainable, local seafoods, with an emphasis on farmed sea vegetables including wakame, kombu, sea lettuce, and dulse.

## **We Invite You to Participate: Menu Specials**

Using sea vegetables listed above from Blue Evolution and Oregon Seaweed, partners can create a special item for the month of February that Winter Waters will promote amongst our channels. Donate 10% of sales from the dish to Oregon Kelp Alliance. Dish details and a high resolution image due 1/3/24.





## Travel Oregon 2023 Competitive Grants Recipients

### CENTRAL OREGON

**City of Antelope** received \$38,500 as part of an effort to relocate historic cabins from the Young Life youth center at Washington Family Ranch, the former site of the Rajneesh camp, to downtown Antelope to serve as the city's first local lodging facility. Funds will be used to make the cabins ADA-accessible.

**High Desert Museum** received \$40,000 to help make Central Oregon a more welcoming and inclusive tourist destination for Native audiences through intentional marketing that celebrates Native experiences and tourism opportunities.

**The Museum at Warm Springs** received \$80,000 to undergo an accessibility audit that will address the physical building issues as well as the exhibits, programs and experiential elements of the museum.

**Prineville-Crook County Chamber of Commerce** received \$25,900 for renovations to make the visitor center more accessible for those with mobility issues – the renovations would include an automated door and an accessible transition between the front steps to the entrance of the chamber office.

**Oregon Adaptive Sports** received \$26,250 for professional photography and videography projects highlighting the programs and services OAS has available for individuals with disabilities to participate in high-quality outdoor experiences. Funds will also provide marketing assets for partnering agencies to promote accessible tourism opportunities throughout the state.

### EASTERN OREGON

**Arts Council of Pendleton** received \$28,985 to create an inclusive tourism experience featuring a narrated audio tour, multi-language tour, accessible printed guidebooks and more.

**Baker County Unlimited** received \$85,000 for building and parking lot improvements at the Baker County Visitor Center that improve accessibility and meet ADA requirements.

**Eastern Oregon Visitors Association** received \$96,120 to develop a video series, with supporting assets and paid media, centered on inclusive tourism promotion highlighting the region's under-represented communities, businesses and attractions.

**Four Rivers Cultural Center and Museum** received \$20,000 to make the Hikaru Mizu Japanese Garden more accessible and inclusive by ensuring the grounds are navigable by wheelchair users and improving the experience of the garden for individuals with sensory disabilities.



**Joseph Branch Trail Consortium** received \$60,000 toward the development of an accessible, 63-mile, multi-use, non-motorized trail within the existing Wallowa Union Railroad Authority (WURA) corridor-funding from Travel Oregon will directly support the project's first ADA-compliant trailhead and trail section in the city of Wallowa.

**Joseph Center for Arts and Culture** received \$56,200 to update and expand the current NE Oregon Arts Trail website, advertising & promotional materials to include more dynamic, interactive and inclusive features to reach audiences with physical and cognitive disabilities while enhancing inclusivity and accessibility for all.

**Pendleton Chamber of Commerce d.b.a. Travel Pendleton** received \$57,600 to create and expand marketing exposure across the Pacific Northwest for Jackalope Jamboree, an inclusive music festival highlighting communities that are underserved and under-resourced, including BIPOC, Oregon's nine-federally recognized tribes and LGBTQIA+.

**Umatilla County Tourism** received \$22,700 to conduct accessibility audits of visitor-facing businesses in Umatilla and Morrow County ("Oregon's Rugged Country") to improve the quality and availability of accessibility-related information for visitors.

**Wallowa County Chamber of Commerce** received \$43,200 to host accessibility trainings and conduct audits of visitor-facing businesses on the Hells Canyon Scenic Byway to ensure customers with disabilities will be welcome.

## **MT. HOOD & COLUMBIA RIVER GORGE**

**Clackamas County Tourism and Cultural Affairs** received \$69,550 to develop and promote more inclusive content for their marketing and promotion channels targeting travel markets and underserved communities including people with disabilities and BIPOC and LGBTQIA+ communities.

**City of Troutdale** received \$100,000 to conduct a parking management and shuttle feasibility study to alleviate congestion at high visitation sites, increase accessibility of nature and attractions for underserved communities and people with disabilities as well as improve community livability.

**Friends of the Columbia Gorge** received \$21,150 to improve accessibility in the Gorge by providing information in English and Spanish through new signage at key recreational sites and by translating the "Find a Hike" website.

## **OREGON COAST**

**City of Coos Bay** received \$65,307 to update the Coos Bay Boardwalk by creating interpretive signs with audio and braille features to represent each of the three Tribes indigenous to the Coos Bay area.

**The City of Lincoln City** received \$100,000 for the design and construction of the first inclusive ADA playground in the city, part of a new 6.71-acre park that will also feature permanent pickleball courts, a special event stage and lawn, picnic shelters, trail and more.



**City of Waldport** received \$100,000 to install accessible paving for the historical 'Heritage Pavilion' in the newly dedicated Southworth Park in honor of early Black pioneer Louis Southworth, a former slave who purchased his own freedom and homesteaded near Waldport where he operated a ferry across the Alsea River.

**Coos Bay-North Bend-Charleston VCB/Oregon's Adventure Coast** received \$20,000 for a free Wheelchair Accessible Shuttle Service from the Charleston Marina to Shore Acres State Park during the Annual Holiday Lights event for those who are unable to get a timed entry pass, do not have transportation or have mobility challenges.

**Coquille Indian Tribe** received \$42,500 to develop and install five interpretive panels at the Mill Casino and RV Park in Coos Bay focusing on the Coquille Indian Tribe's cultural heritage and their relationship to the landscape along Southwest Oregon's waterways.

**Oregon Coast Aquarium** received \$100,000 to replace the existing touch pool with a larger pool that employs the principals of universal design, making it easier for guests of all ages and abilities to reach into the water safely and comfortably and learn about tide pool ecosystems.

**Oregon Scenic Railroad** received \$100,000 for parking with improved accessibility, including ADA parking spaces, ramps and platforms to ensure safe accessibility across the site as well as a paved plaza able to accommodate a large number of visitors.

**Oregon Coast School of Art** received \$67,600 to make the gallery accessible, increase tourism and arts exposure in this area, and with increased ADA compliance, give equal access to the public.

**Oregon Coast Visitors Association** received \$100,000 to produce compelling video content highlighting the often-overlooked intersection of sustainable tourism and accessibility.

**Port of Bandon** received \$100,000 to add accessible, paved parking and enhance the historic Old Town Bandon waterfront district by creating an inviting place for all visitors and residents to enjoy.

**Rockaway Beach Chamber of Commerce** received \$93,854 to level uneven ground and create a safe, well-lit accessible path to the Visitor Center Caboose and Depot and oceanfront. An electric wheelchair storage locker will also be constructed to safely house multiple all-terrain wheelchairs for beachgoers.

**Tillamook Coast Visitors Association, dba Visit Tillamook Coast** received \$65,000 to contract with Wheel the World to survey Tillamook County's recreational, lodging and attraction options. The project will result in TCVA becoming a Wheel the World Verified Destination.

**Travel Curry Coast** received \$20,000 for an accessibility study in collaboration with Wheel the World aimed at enhancing the destination's capacity to welcome individuals with diverse accessibility needs.

**Yachats Chamber of Commerce** received \$100,000 for a wheelchair-friendly public trolley transportation service in Yachats.

**Yaquina Pacific Railroad Historical Society** received \$35,500 for replacing and rebuilding the main access ramp to the Yaquina Pacific Railroad Historical Society (YPRHS) Museum and extending paved portions of existing walkways to accommodate wheelchair access to outdoor museum exhibits.

## **PORTLAND REGION**

**Alberta Abbey Foundation** received \$54,000 for promoting inclusive tourism to Portland for arts programming by Black artists, including marketing for Black History month and Black Music month programming in February and June.

**City of St. Helens** received \$100,000 to fund the Riverwalk Project Phase I, which will develop and improve 420 feet of accessible public access to the Columbia River inside and outside of Columbia View Park.

**Hoyt Arboretum Friends** received \$100,000 to enhance tourism infrastructure within the park to become more accessible and inclusive by improving the access point at a trailhead to support recreational activities.

**Port of Columbia County** received \$100,000 to purchase and install a paddle-craft launch platform with ADA transfer bench, non-slip decking, and grip bars. The addition of this ADA platform will significantly increase accessibility, equity, and belonging for users of all abilities.

**Saint Helens Economic Development Corporation DBA St Helens Main Street Alliance** received \$100,000 for the installation of an elevator tower which dovetails on significant current renovation of the building to create immediate full ADA accessibility to all levels of the building.

**The Clatskanie Chamber of Commerce** received \$81,610 to hire a consultant to tour and advise Clatskanie's downtown for more mobility-friendly projects that will ensure a holistic approach and then, implement at least one recommended mobility-friendly project based on the consultant findings.

## **SOUTHERN OREGON**

**City of Central Point** received \$60,000 to enhance accessibility at Robert Pfaff Park by constructing two new ADA-compliant ramps and improving the existing sidewalk infrastructure within the park.

**Elkton Community Education Center** received \$37,500 to enhance a new 14-acre parcel along the Umpqua River by extending a walking path and improving driveways and existing paths to be more accessible. Interpretive signage focused on the location's heritage and interpretive displays will be installed and the site will host Native American cultural programming and inter-tribal gatherings, among other things.

**Illinois Valley 2010 Community Response Team** received \$25,000 to pave the parking lot to the wheelchair-accessible Rough and Ready Botanical Wayside Trail and update it to ADA standards to increase accessibility for all utilizing the trail.

**Mt. Ashland Association** received \$50,000 for a new ADA-compliant shuttle to provide reliable transportation for people with disabilities who participate in events on Mt. Ashland through the Adaptive Sports Association.

**Oregon Center for Creative Learning** received \$54,000 to make the museum more accessible and inclusive by adding signage to include braille and Spanish, making exhibits more accessible; creating

greater inclusivity and multi-cultural education; the purchase of sensory-friendly materials for children with neurodiverse needs, and much more.

**Southern Oregon University** received \$44,270 to conduct an accessibility assessment, create focus groups to identify challenges and opportunities for accessible tourism adoption and provide recommendations to tourism businesses and organizations by organizing stakeholder meetings around Southern Oregon, involving all five counties in the region.

**Travel Medford** received \$46,580 for a multiphase marketing campaign “Welcoming Diverse & Accessible Travelers to Medford in the Heart of the Rogue Valley,” designed to attract visitors with mobility, sensory restrictions and diverse travelers.

**Travel Southern Oregon** received \$37,500 for the Southern Oregon Inclusion Influencer Series – a content series dedicated to attracting LGBTQ+ and BIPOC content creators to share their authentic experiences in Southern Oregon.

## **WILLAMETTE VALLEY**

**Albany Visitors Association** received \$98,560 for website redesign emphasizing accessibility beyond the current capabilities of the site.

**City of Dundee** received \$70,000 for essential planning and feasibility studies to improve the walkability and accessibility of its downtown core, and to identify parking and transportation solutions that will elevate Dundee’s visitor experience.

**Cycle Yamhill County** received \$64,653 for the design, fabrication, and installation of signage, the construction of Kiosks, along with the purchase and installation of Bike Fix It stations and bike racks to help diversify visitation.

**Lane Arts Council** received \$20,000 to expand its First Friday ArtWalk visitor experience with a year-round activation of the accessible Farmer’s Market Pavilion and Plaza and to support the participation of BIPOC and LGBTQIA+ artists who help attract residents and visitors to Eugene to experience local arts and culture.

**Oregon Electric Railway Historical Society** received \$69,840 to build an ADA-accessible pathway with paver bricks to connect the existing paved roadway to the station/interpretive center and to the trolley loading area to improve access for visitors using wheelchairs or strollers and others with mobility issues.

**Oregon Garden Foundation** received \$100,000 to improve access to the Garden for those with both age- and disability-related mobility issues by installing automatic doors, repairing or improving pathways for accessibility and adding signage to designate accessible routes.

**Travel Lane County** received \$20,000 to develop marketing content with a mobility influencer(s), highlighting the accessible experiences and expanding on the accessibility work started with the hiking trails identified through a recent trail accessibility assessment project.

**Willamette Valley Visitors Association** received \$100,000 to address the challenges faced by individuals with disabilities and limited mobility when accessing outdoor recreation opportunities in the region by

way of an accessibility evaluation, design and concept plans, information sharing and program expansion.

**Wilsonville Parks and Recreation/City of Wilsonville** received \$100,000 for a feasibility study and conceptual plan that focuses on accessible river access at Boones Ferry Park in Wilsonville. Elements of the design are intended to include launch access for non-motorized watercraft including kayaks, canoes, and standup paddleboards as well as accessible walking trails, watercraft storage and parking.

## **STATEWIDE**

**Dirty Freehub** received \$96,660.00 to create a pathway to off-road cycling (ex, gravel cycling) for those challenged by health conditions, physical fitness or a disability.

# Cannon Beach Chamber Destination Marketing Budget

2023-24

<b>22-23 DMO Contract \$577,500.00</b>	Marketing Budget est.	Actual	5.30.23
City Contract Q1 - Nov.	\$ 135,000	-	(135,000.00)
City Contract Q2 - Feb	\$ 48,000	-	(48,000.00)
City Contract Q3 - May	\$ 42,000	-	(42,000.00)
City Contract Q4 - Aug	\$ 75,000	-	(75,000.00)
<b>Total</b>	<b>\$ 300,000</b>	<b>300,000.00</b>	<b>(300,000.00)</b>
<b>Carry forward for allocate spend</b>	<b>\$ 41,600</b>		
<b>DMO Operations Account (150,000)</b>	<b>116,276.47</b>		
<b>DMO Reserve</b>	<b>30,883.42</b>		

Proposed				0% of Fiscal Yr
	Budget	Actual / Allocated	Variance	% Spent
<b>Partnerships - 62461</b>				
North Coast Partnership	30,000.00	13,622.13	16,377.87	45%
North Coast Food Trail	5,000.00	-	5,000.00	0%
North Coast Tourism Management Network	5,000.00	-	5,000.00	0%
North Coast Beer Trail	500.00	-	500.00	0%
<b>Partnerships Total</b>	<b>40,500.00</b>	<b>13,622.13</b>	<b>26,877.87</b>	<b>34%</b>
<b>Digital (Simpleview Services) - 62462</b>				
Website	21,300.00	22,900.00	(1,600.00)	108%
SEO	24,000.00	8,000.00	16,000.00	33%
Dashboards	6,300.00	6,000.00	300.00	95%
Blog	6,500.00	5,000.00	0.00	77%
Visit Widget	11,000.00	10,000.00	1,000.00	91%
<b>Digital Total</b>	<b>69,100.00</b>	<b>51,900.00</b>	<b>15,700.00</b>	<b>75%</b>
<b>Earned Media Services - 62463</b>				
Travel & Words Conference	3,500.00	1,789.15	1,710.85	51%
Fam tours	2,500.00	-	2,500.00	0%
<b>Earned Media Total</b>	<b>6,000.00</b>	<b>1,789.15</b>	<b>4,210.85</b>	<b>30%</b>
<b>Paid Media - 62464</b>				
<b>Annual Publications</b>				
Travel Oregon	12,000.00	-	12,000.00	0%
Travel Portland	9,785.00	4,892.50	9,785.00	50%
OCVA	5,000.00	-	5,000.00	0%
Mile by Mile	4,000.00	-	4,000.00	0%
<b>Paid Media</b>				
<b>Event Sponsorships</b>				
Event Sponsorships	15,000.00	14,000.00	1,000.00	93%
<b>Regional Media</b>				
Northwest Travel & Life	17,300.00	17,300.00	0.00	100%
<b>Targeted Marketing</b>				
Datafy Campaign	30,000.00	5,000.00	0.00	16%
Facebook/Instagram Boosted Posts/Ads	1,500.00	320.00	0.00	21%
<b>Social Media</b>				
Social Manager	4,000.00	800.00	3,200.00	20%
<b>Marketing Services - 62465</b>				
Content Creation	22,000.00	-	22,000.00	0%
Marketing Campaign	13,000.00	-	13,000.00	0%
Datafy Visitor Data	21,250.00	6,250.00	15,000.00	29%
Email Newsletter	-	-	0.00	0%
Photography/Video Production	-	-	0.00	0%
Other Marketing Services	500.00	52.50	447.50	0%
<b>Marketing Services Total</b>	<b>56,750.00</b>	<b>6,302.50</b>	<b>50,447.50</b>	<b>0%</b>
<b>Other - 62466</b>				
Magazine & Brochure distribution	12,000.00	-	12,000.00	0%
Memberships	1,500.00	-	1,500.00	0%
Oregon Destination Association	300.00	700.00	(400.00)	233%
Travel Portland	300.00	-	300.00	0%

Training	2,500.00	-	0.00	0%
Subscriptions	3,000.00	-		
CB Magazine		-	0.00	0%
Professional Development & Conferences	5,000.00	650.00		
Miscellaneous / Contingency	965.00	549.00	950.00	
<b>Other Total</b>	<b>29,065.00</b>	<b>1,899.00</b>	<b>17,850.00</b>	7%
<b>Total</b>	<b>300,000.00</b>	<b>117,825.28</b>	<b>150,071.22</b>	39%
Carry forward for allocate spend	\$ 41,600.00		223,774.72	



# CANNON BEACH CITY COUNCIL

## STAFF REPORT

FINANCIAL REPORT, 4th QUARTER, FYE 2023

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**Agenda Date:** December 12, 2023

**Prepared by:** Laurie Sawrey, CPA  
Finance Director

## BACKGROUND

Please find attached, the financial report for 4th quarter of fiscal year ending June 30, 2023.

## List of Attachments

A Financial Report, 4th Quarter, April, May, June, FYE June 30, 2023

## Financial Report 4th Quarter, April - June 2023 FYE 2023

Volume 9, Issue 4

December 12, 2023

### Cash Position

General Fund	4,248,389	Recycling Fund	163,628
Tourism and Arts Fund	940,528	Water Fund	736,504
Transient Room Tax Fund	617	Water SDC	27,822
Clatsop County TRT Fund	792,813	Wastewater Fund	510,102
Building Official Fund	487,382	Wastewater SDC	39,810
Affordable Housing Fund	265,576	Storm Drain Fund	127,630
Prepared Food Sales Tax	670,752	Storm Drain SDC	13,052
RV Park Fund	1,161,496	Roads Fund	409,005
RV Park Reserve	362,542	Parks SDC	4,528
Debt Service Fund	38,124	Water Reserve	809,567
Bridge Reserve	679	Wastewater Reserve	281,726
Ecola Forest Reserve	6,394	Storm Drain Reserve	158,622
General Reserve	2,413,821	Recycling Reserve	9,826
		Tourism Facility Renovation Fund	3,841,391
Payroll Liability Fund		Administrative Services Fund	34,581
		As of June 30, 2023	
<b>Total Cash on Hand</b>	<b>\$ 18,556,907</b>	As of June 30, 2022	
	<b>\$ 15,718,329</b>		

### Debt Outstanding

GO Bonds 2022 (EFR/WW) payoff 6/1/27	\$ 1,485,000
FFC Bonds 2022 (CBE) payoff 6/1/52	\$ 4,475,000
<b>Total</b>	<b>\$ 5,960,000</b>

is contracting out our building inspector to other cities and is bringing in additional revenue and fortifies the ending fund balance.

**Affordable Housing:** Construction excise tax revenues amount to \$16,855 and \$0 for residential and commercial permits, respectively, year to date, and total \$16,855 and fund balance increased by same.

**Prepared Food Sales Tax:** Revenues from the 5% tax for the 3rd and 4th quarter amount to \$751,961 and \$1,734,830, year to date. CBRFPD's share was paid in the amount of \$376,027 and \$823,917, year to date. Fund balance is \$910,913 and is the city's share of the tax.

**RV Park:** Year to date revenue is \$2,724,484 and is at 101.4% of the budget compared to the prior year to date amount of \$2,535,823. Year to date program expenses total \$2,724,484 and are 101.4% of the budget compared to last year to date expenses of \$2,195,587 and were 95.2% of the budget. Transfers to the General Fund and the RV Park Reserve were \$300,000 and \$59,969, respectively. Fund balance increased \$184,443 year to date.

**Recycling Fund:** Recycle surcharge and recycle sales year to date are \$245,047 and \$14,428, respectively and \$230,775 and \$24,317, last year to date. Year to date program expenses are \$237,345 and are 84.7% of the budgeted amount. Fund balance increased year to date by \$23,535.

**Water Fund:** Water charges are \$1,404,867 year to date and are 95.9% of the budgeted amount. Also, included in revenue is \$571,317 of loan proceeds to pay for the Phase I and II Water Resiliency project. Prior year to date water charges were \$1,386,261 and 98.8% of the budget. Year to date program expenses total \$1,102,397 and are 71.2% of the budgeted amount. Year to date expenses exceed year to date revenues by \$89,547 and decreases fund balance by same.

**Wastewater Fund:** Wastewater charges are \$1,527,524 year to date and are 96.1% of the budgeted amount. Prior year to date wastewater charges were \$1,453,966 and 99.6% of the budgeted amount. Year to date program expenses are \$1,317,632 and are 81.8% of the budgeted amount. Year to date revenues exceed year to date expenses by \$73,278 and decreases fund balance by

### Financial Narrative for the 4th Quarter, FYE 2023

**Note:** Revenues and expenses should track at 12/12 or 100% of the budget. Data is presented on the budgetary/modified accrual basis.

Cash increased \$2,838,578 from the prior year balance on June 30, 2022.

At the end of the quarter cash balances were held as follows: LGIP, \$18,120,450, Umpqua Bank, \$416,311, Xpress Bill Pay, \$19,846, and cash on hand, \$300. At the end of June, the LGIP account was paying interest at 4.05% compared to 1.15% at the end of June 2022. Interest earnings year to date are \$415,621 in the General Fund compared to the prior year to date of \$62,869.

**General Fund:** Revenues year to date are at 114.2% of the budget. 37 out of 43 budgeted line items on page 3 met or exceeded the budget. 6 did not have a budget. 12 line items did not meet budget expectations, however, those amounts are nominal and are not a huge impact to the bottom line. Room tax revenues exceeded the budget by \$312,627. All of our top ten revenues met or exceeded budgeted amounts with the exception of state revenues which was under budget by \$9,641 due to a decrease in marijuana sales. State revenues are disbursed on a per capita basis.

Page 5 shows the current year top 10 revenues of the General Fund. Room tax is 62.7% and the number one revenue stream in this fund. These top ten total \$6,729,152 and are 88.02% of the total revenue amount of \$7,645,036. Revenue streams not represented are donations, grants and transfers-in as these are not stable sources and can fluctuate dramatically year to year. However,

these revenue streams contributed \$639,300 in the current year.

Expenses year to date amount to \$6,877,467, which is 75.0% of the budgeted amount compared to the prior year expenses of \$6,115,344 which was 71.4% of the budget. In the current year, all GF **departments** were under budget.

Current year to date revenues exceed year to date expenses by \$767,569 and increases fund balance by same which leaves an ending fund balance of \$5,308,227 compared to the estimated fund balance on June 30, 2023 of \$724,805.

**TAF:** The ending fund balance as of the end of the year is \$1,010,778. Revenues include room tax collected plus a loan payment from the County TRT fund. Total awards disbursed were \$273,204 and awards not spent came back in the amount of \$38,944 for net awards of \$234,260. See page 11.

**TRT Fund:** The distributions to the Chamber amounted to \$501,764.

**County TRT Fund:** County room tax revenue amounts to \$463,440. The final payment on the loan from TAF was paid in the amount of \$34,000 and debt service on the bond issuance was \$245,124.

**Building Department:** Building, Mechanical, Plumbing permits, Plan Review fees, and Building Inspector revenue from Seaside, year to date, are \$97,810, \$21,630, \$24,578, \$97,978, and \$26,300, respectively, and total \$268,296. Total program expenses year to date are \$226,866 and are 87.4% of the budget. Fund balance increased year to date by \$47,789. This fund



## Financial Narrative for the 4th Quarter, FYE 2023 continued

4th Quarter 2023

same.

**Storm Drain Fund:** Storm drain charges are \$279,683 year to date and are 97.8% of the budgeted amount. Prior year to date storm drain charges were \$255,307 and was 92.5% of the budgeted amount. Program expenses are \$233,373 and are 73.8% of the budgeted amount. Year to date expenses exceed year to date revenues by \$82,468 and decreases fund balance by same.

**Roads Fund:** Year to date revenues amount to \$870,871 and are 102.0% of the budgeted amount. Property tax, state highway funds, and transfers from the general fund contribute the majority of the revenue in the amounts of \$267,582, \$116,983, and \$466,181, respectively and total \$850,746. Program expenses year to date are \$889,194 and are 81.7% of the budgeted amount. Year to date expenses exceed year to date revenues by \$18,323 and increases fund balance by same.

**Debt Service Fund:** Year to date revenues amount to \$868,708. Property tax amounts to \$422,680. Transfers in from the General Fund and County TRT Fund amount to \$200,904 and 245,124, respectively. Principal and interest payments were made, in the total amount of \$876,523 during the year as follows: Principal, \$550,000 and Interest, \$81,400 on the refunded bonds for WW Lagoon and Ecola Reserve and Principal, \$60,000 and Interest, \$185,123 for the CBE project bonds. Ending fund balance decreased during the year in the amount of \$7,875. Ending fund balance at year end is \$45,106. GO and FFC Bond balances owing at year end are on page 1, top right.

**Tourism Facility Fund:** This fund was established to collect the FFC Bond proceeds and fund the rejuvenation of the Cannon Beach Elementary School. Interest income on bond proceeds are \$126,498. Capital costs of the project amount to \$458,151 and consisted mostly of design and architecture services.

**Administrative Services Fund:** This fund charges the Building Official Fund, General Fund, Recycling Fund, Roads Fund, RV Park Fund, Storm Drain Fund, Wastewater Fund, and the Water Fund for certain services and supplies performed and provided to and provided by the Executive, Finance, IT, Central Services, and Public Administration.

Each month costs are accumulated and charged to the appropriate funds.

Therefore, there is never a fund balance. Revenue comes in from each fund to cover the costs.

On page 8, you can see that 90.1% of the budget was spent. All the departments in this fund are under-budget at year end.

**Reserve Funds:** The following ending fund balances are in the reserve funds at year end:

RV Park Reserve	\$ 362,542
Recycling Reserve	\$ 9,826
Ecola Forest Reserve	\$ 6,394
Water Reserve	\$ 776,255
Bridge Reserve	\$ 0
Wastewater Reserve	\$ 279,942
Storm Drain Reserve	\$ 158,622
General Reserve	\$2,413,821

**SDC Funds:** The following ending fund balances are in these funds at year end:

Parks	\$ 4,528
Water	\$ 27,822
Wastewater	\$ 39,810
Storm Drain	\$ 13,052

The SDC rates were updated in this fiscal year and the rates were effective on March 23, 2023.

## General Fund Revenue

## 4th Quarter 2023

Revenue	April - June		Current Fiscal Year to Date	2022-2023 Budget	% of Current Budget
	fye 2023	fye 2022			
1 Property Taxes-current	27,035	25,865	728,235	723,775	100.62
2 Property Taxes-prior	6,139	(2,330)	25,735	25,000	102.94
3 Transient Room Tax 6%	1,515,970	1,637,018	3,871,433	3,616,626	107.05
4 Transient Room Tax 1% - 07/01/10	75,799	81,851	193,572	180,831	107.05
5 Transient Room Tax 1% - 10/01/15	75,799	81,851	193,572	180,831	107.05
6 Short Term Room Tax 6%	169,505	204,336	488,037	508,372	96.00
7 Short Term Room Tax 1% - 07/01/10	8,475	10,217	24,402	25,420	96.00
8 Short Term Room Tax 1% - 10/01/15	8,475	10,217	24,402	25,420	96.00
9 Business Licenses	2,705	2,571	81,665	76,000	107.45
10 Alarm Fees	95	75	300	500	60.00
11 Franchise Fees	70,553	63,060	217,222	201,000	108.07
12 Liquor Taxes	11,681	10,823	29,526	27,413	107.71
13 OLCC License Renewal	(5)	(40)	240	280	85.71
14 Cigarette Taxes	335	387	1,105	1,124	98.31
15 State Revenue Sharing	22,174	21,227	50,819	50,000	101.64
16 Marijuana Tax	5,973	13,618	29,446	42,000	70.11
17 Land Leases	11,853	11,574	47,073	47,040	100.07
18 Right of Way Permits			50		0.00
19 Fire District Share-Dispatch			16,566	16,725	99.05
20 Interest Income	143,434	22,275	415,621	49,175	845.19
21 Vehicle Impound Fees	199	100	549	400	137.25
22 American Rescue Plan Grant			196,350	196,350	100.00
23 Miscellaneous Income	6,220	2,225	27,318	14,000	195.13
24 Transfers In - RV Park			300,000	300,000	100.00
<b>HRAP</b>					
25 OR Community Foundation-Grant				15,000	0.00
26 Day Camp Revenue	526		1,432	500	286.40
27 HRAP Eco Tours	1,272	2,028	3,351	5,000	67.02
28 Donations-Friends of HRAP			32,601	38,000	85.79
29 Donations-Misc	881	1,208	1,804	1,500	120.27
<b>Farmer's Market</b>					
30 Vendor Fees	13,510	6,490	18,678	9,500	196.61
31 Farmer's Market Sales	791	726	5,774	3,000	192.47
32 Entertainment Donations	950	550	1,000	800	125.00
<b>Municipal Court</b>					
33 Fines	18,006	19,860	122,170	76,000	160.75
<b>Planning</b>					
34 Short Term Rental Permit	26,000	26,000	106,000	94,500	112.17
35 Planning	6,656	7,850	33,318	24,000	138.83
36 Local Planning Fee	424	1,643	7,738	11,000	70.35
37 Grant-ODOT (TSP)		10,347	48,208		0.00
<b>PW Parking</b>					
38 Parking Lot Maintenance			38,061	38,061	100.00
<b>Police</b>					
39 BVP Grant		1,455		1,500	0.00
40 OR Impact Grant	1,318	694	3,947	1,000	394.70
41 ODOT Safety Belt/OT Grant				1,500	0.00
42 Donations	6,000	3	6,000		0.00
43 CB National Night Out			1,300		0.00
<b>Emergency Management</b>					
44 Storage Fee Revenue		(140)	3,172	2,300	137.91
45 MRC Donations		5,018		2,000	0.00
46 NACCHO Grant - MRC	17,500	5,000	35,000	50,000	70.00
47 HPO Grant (MRC)	3,155		3,155	10,000	31.55
48 OEM Grant (Pit Tank Bldg-Oscar)	9,000		9,000		
49 American Rescue Plan Grant		(200,089)	200,089		0.00
50 Total revenues	2,268,403	2,085,563	7,645,036	6,693,443	114.22

## General Fund Expenditures by Department

4th Quarter 2023

	April - June		Current Fiscal Year to Date	2022-2023 Budget	% of Current Budget
	fye 2023	fye 2022			
<b>Executive</b>					
1 Building Maintenance	82,452	6,623	279,741	942,500	29.68
2 Community Programs	(1,187)	6,242	124,237	225,000	55.22
3 HRAP	128,469	103,138	386,180	418,849	92.20
4 Farmer's Market	15,283	13,827	49,891	47,715	104.56
5 Municipal Court	(8,459)	16,480	40,555	54,999	73.74
6 <b>Total Executive</b>	<b>216,558</b>	<b>146,310</b>	<b>880,604</b>	<b>1,689,063</b>	<b>52.14</b>
7 <b>Community Development</b>	<b>183,094</b>	<b>190,588</b>	<b>703,074</b>	<b>783,647</b>	<b>89.72</b>
<b>Public Works</b>					
8 Ecola Forest Reserve	2,258	10,455	13,943	96,386	14.47
9 Parks	53,923	133,025	206,028	321,505	64.08
10 Parking	17,637	3,822	29,919	32,307	92.61
11 Public Restrooms-Litter	87,407	71,509	285,868	577,750	49.48
12 <b>Total Public Works</b>	<b>161,225</b>	<b>218,811</b>	<b>535,758</b>	<b>1,027,948</b>	<b>52.12</b>
<b>Public Safety</b>					
13 Police	446,327	434,502	1,795,576	1,917,349	93.65
14 Lifesaving	31,097	60,142	171,203	176,654	96.91
15 <b>Total Public Safety</b>	<b>477,424</b>	<b>494,644</b>	<b>1,966,779</b>	<b>2,094,003</b>	<b>93.92</b>
16 <b>Emergency Management</b>	<b>191,320</b>	<b>219,717</b>	<b>653,969</b>	<b>804,879</b>	<b>81.25</b>
<b>Non-Departmental</b>					
17 Administrative Services	162,969	141,159	691,618	772,885	89.49
18 Capital Outlay					
19 Contingency				550,548	0.00
20 Transfers	-		1,445,665	1,445,665	100.00
21 <b>Total Non-Departmental</b>	<b>162,969</b>	<b>141,159</b>	<b>2,137,283</b>	<b>2,769,098</b>	<b>77.18</b>
22 <b>Total Expenditures</b>	<b>1,392,590</b>	<b>1,411,229</b>	<b>6,877,467</b>	<b>9,168,638</b>	<b>75.01</b>
<b>General Fund Summary</b>					
			<b>Fiscal Year Ending 2023</b>	<b>Fiscal Year Ending 2022</b>	<b>2022/2023 Budget</b>
23 Beginning Fund Balance-July 1			\$ 4,540,658	\$ 3,431,880	\$ 3,200,000
24 Revenues year to date			7,645,036	7,224,122	6,693,443
25 Expenditures year to date			6,877,467	6,115,344	9,168,638
26 <b>Ending Fund Balance-June 30</b>			<b>\$ 5,308,227</b>	<b>\$ 4,540,658</b>	<b>\$ 724,805</b>

## Supplemental Report - Top 10 General Fund Revenues

4th Quarter 2023

Top 10 GF revenue streams (Fye 2023)			
		year to date	% of total revenue
1	room tax	4,795,418	62.7%
2	property tax	753,970	9.9%
3	interest income	415,621	5.4%
4	franchise fees	217,222	2.8%
5	planning revenues-combined	147,056	1.9%
6	court fines	122,170	1.6%
7	state revenues	110,896	1.5%
8	business licenses	81,665	1.1%
9	land leases	47,073	0.6%
10	parking lot maintenance	38,061	0.5%
11	<b>total top 10</b>	<b>6,729,152</b>	<b>88.02%</b>
12	<b>total revenues</b>	<b>7,645,036</b>	

Top 10 GF revenue streams (Fye 2022)			
		year to date	% of total revenue
1	room tax	4,888,248	67.7%
2	property tax	709,669	9.8%
3	franchise fees	203,781	2.8%
4	planning revenues-combined	143,043	2.0%
5	state revenues	121,464	1.7%
6	court fines	88,310	1.2%
7	business licenses	79,607	1.1%
8	interest income	62,869	0.9%
9	land leases	46,175	0.6%
10	parking lot maintenance	38,061	0.5%
11	<b>total top 10</b>	<b>6,381,227</b>	<b>88.33%</b>
12	<b>total revenues</b>	<b>7,224,122</b>	

The top ten still comprise approximately 88% of total General Fund revenues compared to last year. However, interest income, due to market conditions, has been earning a higher rate of return compared to the prior year and has put pressure on the room tax standing of 67.7% in the prior year compared to 62.7% in the current year.

## Other Funds - Revenues with Expenditures (by object class)

4th Quarter 2023

	Tourism and Arts Fund					Transient Room Tax Fund			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
1 Beginning Fund Balance	873,161	702,433	474,597	148.01		420	928	-	-
2 Plus: Revenues	196,639	542,605	515,250	105.31		196,639	508,605	577,500	88.07
Less:									
3 Personnel Services									
4 Materials and Services	59,022	234,260	481,250	48.68		189,290	501,764	577,500	86.89
5 Program Expenses Subtotal	59,022	234,260	481,250	48.68		189,290	501,764	577,500	86.89
6 Contingency									
7 Ending Fund Balance	1,010,778	1,010,778	508,597	198.74		7,769	7,769	-	-
	County TRT Fund					Building Official Fund			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
8 Beginning Fund Balance	792,813	749,280	553,505	135.37		514,654	436,978	450,000	97.11
9 Plus: Revenues	140,783	463,440	481,250	96.30		31,221	274,655	312,400	87.92
Less:									
10 Personnel Services						44,671	167,476	183,627	91.20
11 Materials and Services			573,814	-		16,437	59,390	76,070	78.07
12 Capital Outlay			181,817	-					-
13 Program Expenses Subtotal	-	-	755,631	-		61,108	226,866	259,697	87.36
14 Debt Service		34,000	34,000	100.00					
15 Transfers Out		245,124	245,124	100.00					
16 Contingency								51,939	-
17 Ending Fund Balance	933,596	933,596	-	-		484,767	484,767	450,764	107.54
	Affordable Housing Fund					Prepared Food Sales Tax Fund			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
18 Beginning Fund Balance	261,243	244,388	220,000	111.09		534,979			-
19 Plus: Revenues	-	16,855	67,000	25.16		751,961	1,734,830	1,760,000	98.57
Less:									
20 Personnel Services									-
21 Materials and Services			238,166	-		376,027	823,917	880,000	93.63
22 Capital Outlay									-
23 Program Expenses Subtotal	-	-	238,166	-		376,027	823,917	880,000	93.63
24 Debt Service									
25 Transfers Out									-
26 Contingency			48,834	-				176,000	-
27 Ending Fund Balance	261,243	261,243	-	-		910,913	910,913	704,000	129.39

## Other Funds - Revenues with Expenditures (by object class)

4th Quarter 2023

	RV Park Fund				Recycling Fund			
	Current Quarter	Year to Date	Budget	% of Budget	Current Quarter	Year to Date	Budget	% of Budget
1 Beginning Fund Balance	969,853	897,495	1,000,000	89.75	178,063	162,897	120,000	135.75
2 Plus: Revenues	697,392	2,724,484	2,686,709	101.41	71,230	260,880	234,000	111.49
Less:								
3 Personnel Services	2	2	1,422	0.14	32,221	122,249	125,223	97.63
4 Materials and Services	585,305	2,180,070	2,485,861	87.70	30,640	115,096	155,122	74.20
5 Capital Outlay			35,000	-				
6 Program Expenses Subtotal	585,307	2,180,072	2,522,283	86.43	62,861	237,345	280,345	84.66
7 Debt Service								
8 Transfers Out		359,969	359,969	100.00				
9 Contingency			504,457	-			56,069	-
10 Ending Fund Balance	1,081,938	1,081,938	300,000	360.6	186,432	186,432	17,586	1,060.12
	Water Fund				Wastewater Fund			
	Current Quarter	Year to Date	Budget	% of Budget	Current Quarter	Year to Date	Budget	% of Budget
11 Beginning Fund Balance	933,156	1,032,379	875,000	117.99	583,738	563,386	440,000	128.04
12 Plus: Revenues	844,812	1,994,967	5,285,163	37.75	376,404	1,581,896	1,944,369	81.36
Less:								
13 Personnel Services	101,253	346,515	473,231	73.22	94,963	349,393	399,859	87.38
14 Materials and Services	223,985	730,595	969,332	75.37	227,554	951,151	1,191,392	79.84
15 Capital Outlay	14,569	25,287	106,813	23.67	(25)	17,088	18,813	90.83
16 Program Expenses Subtotal	339,807	1,102,397	1,549,376	71.15	322,492	1,317,632	1,610,064	81.84
17 Debt Service			41,000	-	986	986	11,540	8.54
18 Transfers Out	495,329	982,117	4,217,800	23.29		190,000	490,000	38.78
19 Contingency			157,080	-			272,765	-
20 Ending Fund Balance	942,832	942,832	194,907	483.73	636,664	636,664	-	-
	Storm Drain Fund				Roads Fund			
	Current Quarter	Year to Date	Budget	% of Budget	Current Quarter	Year to Date	Budget	% of Budget
21 Beginning Fund Balance	124,357	231,674	198,000	117.01	703,867	412,734	420,000	98.27
22 Plus: Revenues	71,891	307,342	313,621	98.00	53,079	870,871	853,512	102.03
Less:								
23 Personnel Services	3,547	13,471	16,747	80.44	72,963	264,533	270,263	97.88
24 Materials and Services	43,495	199,464	279,240	71.43	289,572	597,410	695,997	85.84
25 Capital Outlay		20,438	20,439	100.00		27,251	122,252	22.29
26 Program Expenses Subtotal	47,042	233,373	316,426	73.75	362,535	889,194	1,088,512	81.69
27 Debt Service								
28 Transfers Out		156,437	156,437	100.00				
29 Contingency			38,758	-			185,000	-
30 Ending Fund Balance	149,206	149,206	-	-	394,411	394,411	-	-

Other Funds - Revenues with Expenditures (by object class)

4th Quarter 2023

	Debt Service Fund				Tourism Facility Renovation			
	Current Quarter	Year to Date	Budget	% of Budget	Current Quarter	Year to Date	Budget	% of Budget
1 Beginning Fund Balance	756,076	52,921	35,000	151.20	3,850,610	4,155,894	4,414,586	94.14
2 Plus: Revenues	18,880	868,708	861,524	100.83	41,009	126,498	-	-
Less:								
3 Capital Outlay					67,378	458,151	4,414,586	10.38
4 Program Expenses Subtotal	-	-	-	-	67,378	458,151	4,414,586	10.38
5 Debt Service	729,850	876,523	876,524	100.00				
6 Ending Fund Balance	45,106	45,106	20,000	225.53	3,824,241	3,824,241	-	-
	Administrative Services Fund							
	Current Quarter	Year to Date	Budget	% of Budget				
7 Beginning Fund Balance								
8 Plus: Revenues	521,628	2,069,714	2,297,831	90.07				
Less:								
9 Executive	147,757	562,394	664,866	84.59				
10 Finance	182,029	577,491	611,275	94.47				
11 IT	61,922	264,764	293,685	90.15				
12 Central Services	16,270	261,836	270,890	96.66				
13 Public Works	113,650	403,229	457,115	88.21				
14 Ending Fund Balance	-	-	-	-				

July 1, 2022 Beginning Fund Balances Compared to Budget

	Actual	Budget	Variance favorable (unfavorable)		Actual	Budget	Variance favorable (unfavorable)
1 General Fund	4,540,658	3,200,000	1,340,658	12 Debt Service Fund	52,921	35,000	17,921
2 General Reserve	1,713,821	1,713,820	1	13 Tourism Facility Renovation Fund	4,155,894	4,414,586	(258,692)
3 Ecola Forest Reserve	6,394	6,393	1	14 Roads Fund	412,734	420,000	(7,266)
4 Tourism & Arts Fund	702,433	474,597	227,836	15 Bridge Reserve Fund	2,430	4,592	(2,162)
5 Transient Room Tax Fund	928	0	928	16 Water Fund	1,032,379	875,000	157,379
6 County TRT Fund	749,280	553,505	195,775	17 Water Reserve Fund	366,639	350,000	16,639
7 Building Fund	436,978	450,000	(13,022)	18 Wastewater Fund	563,386	440,000	123,386
8 Affordable Housing Fund	244,388	220,000	24,388	19 Wastewater Reserve Fund	217,381	230,000	(12,619)
9 Prepared Food Sales Tax Fund	-	-	-	20 Storm Drain Fund	231,674	198,000	33,674
10 RV Park Fund	897,495	1,000,000	(102,505)	21 Storm Drain Reserve Fund	2,185	2,184	1
11 RV Park Reserve Fund	302,573	290,922	11,651	22 Recycling Fund	162,897	120,000	42,897
				23 Recycling Reserve Fund	9,826	9,825	1



**Supplemental Report - General Fund Year to Date Revenues compared to Prior Year 4th Quarter 2023**

General Fund Revenue		Fiscal Year End		Variance Favorable (Unfavorable)
		2023	2022	
1	Property taxes-current	728,235	702,045	26,190
2	Property taxes-prior	25,735	7,624	18,111
3	Transient room tax 6%	3,871,433	3,900,266	(28,833)
4	Transient room tax 1% - 07/01/10	193,572	195,013	(1,441)
5	Transient room tax 1% - 10/01/15	193,572	195,013	(1,441)
6	Short Term Room Tax 6%	488,037	543,596	(55,559)
7	Short Term Room Tax 1% - 07/01/10	24,402	27,180	(2,778)
8	Short Term Room Tax 1% - 10/01/15	24,402	27,180	(2,778)
9	Business Licenses	81,665	79,607	2,058
10	Alarm Fees	300	200	100
11	Franchise Fees	217,222	203,781	13,441
12	Liquor Taxes	29,526	30,042	(516)
13	OLCC License Renewal	240	240	-
14	Cigarette Taxes	1,105	1,394	(289)
15	State revenue sharing	50,819	50,025	794
16	Marijuana Tax	29,446	40,003	(10,557)
17	Land Leases	47,073	46,175	898
18	Right of Way Permits	50		
19	Fire District Share-Dispatch	16,566	15,929	637
20	Interest Income	415,621	62,869	352,752
21	Vehicle Impound Fees	549	600	(51)
22	American Rescue Plan	196,350	196,350	-
23	Miscellaneous Income	27,318	24,679	2,639
24	Transfers In - RV Park	300,000	250,000	50,000
<b>HRAP</b>				
25	OR Community Foundation Grant		15,100	(15,100)
26	Day Camp Revenue	1,432	182	1,250
27	HRAP Eco Tours	3,351	6,890	(3,539)
28	Merchandise Sales		333	(333)
29	Donations-Friends of HRAP	32,601	262	32,339
30	Donations-Misc	1,804	2,061	(257)
<b>Farmer's Market</b>				
31	Vendor Fees	18,678	12,515	6,163
32	Farmer's Market Sales	5,774	3,686	2,088
33	Entertainment Donations	1,000	950	50
<b>Municipal Court</b>				
34	Fines	122,170	88,310	33,860
<b>Community Development</b>				
35	Short Term Rental Permit	106,000	102,725	3,275
36	Planning	33,318	30,725	2,593
37	Local Planning Fee	7,738	9,593	(1,855)
38	ODOT TSP - Grant	48,208	123,611	(75,403)
<b>PW Parking</b>				
39	Parking Lot Maintenance	38,061	38,061	-
<b>Police</b>				
40	BVP Grant		1,455	(1,455)
41	OR Impact Grant	3,947	1,835	2,112
42	ODOT Safety Belt Grant		1,420	(1,420)
43	Donations	6,000	1,003	4,997
44	CB National Night Out	1,300		1,300
<b>Emergency Management</b>				
45	Storage Fee Revenue	3,172	(67)	3,239
46	MRC Grant - Pet Response		3,750	(3,750)
47	MRC Donations		15,000	(15,000)
48	HPO Grant (MRC)	3,155		3,155
49	NACCHO Grant (MRC)	35,000	5,000	30,000
50	OEM Grant (Pit Tank Bldg-Oscar)	9,000		
51	American Rescue Plan Grant	200,089	159,911	40,178
52	<b>Total revenues</b>	<b>7,645,036</b>	<b>7,224,122</b>	<b>411,864</b>



Transient Room Tax

4th Quarter 2023

City of Cannon Beach								
Transient Room Tax								
Total Collections and Projected Amounts-All Funds								
						General Fund, TAF and TRT		
	Fiscal Year End	July - Sept	Oct - Dec	Jan - Mar	Apr - June		Budget	Budget to Actual Variance
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
1	2024 Budget	2,365,000	935,000	770,000	1,430,000	5,500,000	projected 5,500,000	
2	2024	2,639,056				2,639,056	5,500,000	(2,860,944)
3	2023	2,550,150	1,015,153	740,826	1,506,497	5,812,627	5,500,000	312,627
4	2022	2,417,643	1,052,037	908,288	1,547,182	5,925,150	4,580,560	1,344,590
5	2021	2,129,324	927,580	860,795	1,610,664	5,528,363	3,343,941	2,184,422
6	2020	2,036,317	791,189	520,682	499,137	3,847,326	4,791,744	(944,418)
7	2019	1,967,649	791,635	627,626	1,193,649	4,580,560	4,396,070	184,490
8	2018	1,853,210	698,972	600,726	1,117,638	4,270,546	4,108,065	162,481
9	2017	1,719,998	583,747	519,371	1,021,108	3,844,224	3,280,816	563,408
10	2016	1,444,920	564,953	559,931	966,077	3,535,881	3,118,010	417,871
11	2015	1,335,588	481,065	444,857	783,542	3,045,052	2,811,000	234,052
12	2014	1,279,658	427,965	383,196	670,283	2,761,102	2,673,000	88,102
13	2013	1,248,163	404,291	352,632	642,276	2,647,362	2,496,000	151,362
Actual percentage increase over prior quarter								
	Fiscal Year End	July - Sept	Oct - Dec	Jan - Mar	Apr - June			Year to Year \$ Variance
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
14	2024	3.486%	-100.000%	-100.000%	-100.000%	-54.598%		
15	2023	5.481%	-3.506%	-18.437%	-2.630%	-1.899%		132,507
16	2022	13.540%	13.417%	5.517%	-3.941%	7.177%		396,787
17	2021	4.567%	17.239%	65.321%	222.690%	43.694%		1,681,037
18	2020	3.490%	-0.056%	-17.040%	-58.184%	-16.008%		(733,234)
19	2019	6.175%	13.257%	4.478%	6.801%	7.259%		310,014
20	2018	7.745%	19.739%	15.664%	9.453%	11.090%		426,322
21	2017	19.0376%	3.3266%	-7.2437%	5.6963%	8.7204%		308,343

## Transient Room Tax—Motel/Hotel vs Short-term last 5 years

4th Quarter 2023

	Quarter Ending						
	9/30/22	12/31/22	3/31/23	6/30/23	Grand Total	Budget	
1 Motel/Hotel Tax	2,237,397.42	903,219.51	670,737.90	1,350,555.31	5,161,910.14		
2 S/T vacation rentals	312,752.91	111,933.64	70,088.32	155,941.89	650,716.76		
3 Total	<b>2,550,150.33</b>	<b>1,015,153.15</b>	<b>740,826.22</b>	<b>1,506,497.20</b>	<b>5,812,626.90</b>	<b>5,500,000.00</b>	
	Quarter Ending						
	9/30/21	12/31/21	3/31/22	6/30/22	Grand Total	Budget	
1 Motel/Hotel Tax	2,100,814.41	916,750.50	810,639.01	1,372,151.22	5,200,355.14		
2 S/T vacation rentals	316,828.81	135,286.26	97,648.84	175,030.99	724,794.90		
3 Total	<b>2,417,643.22</b>	<b>1,052,036.76</b>	<b>908,287.85</b>	<b>1,547,182.21</b>	<b>5,925,150.04</b>	<b>4,580,560.00</b>	
	Quarter Ending						
	9/30/20	12/31/20	3/31/21	6/30/21	Grand Total	Budget	
1 Motel/Hotel Tax	1,859,656.29	810,017.64	750,449.48	1,426,912.97	4,847,036.38		
2 S/T vacation rentals	269,667.67	117,562.65	110,345.32	183,750.62	681,326.26		
3 Total	<b>2,129,323.96</b>	<b>927,580.29</b>	<b>860,794.80</b>	<b>1,610,663.59</b>	<b>5,528,362.64</b>	<b>3,343,941.00</b>	
	Quarter Ending					Grand	
	9/30/19	12/31/19	3/31/20	6/30/20	Total	Budget	
4 Motel/Hotel Tax	1,795,546.63	711,757.55	470,095.15	450,980.13	3,428,379.46		
5 S/T vacation rentals	240,770.82	79,431.55	50,586.68	48,157.05	418,946.10		
6 Total	<b>2,036,317.45</b>	<b>791,189.10</b>	<b>520,681.83</b>	<b>499,137.18</b>	<b>3,847,325.56</b>	<b>4,791,744.00</b>	
	Quarter Ending					Grand	
	9/30/18	12/31/18	3/31/19	6/30/19	Total	Budget	
7 Motel/Hotel Tax	1,702,133.48	662,557.85	574,561.69	1,076,901.59	4,016,154.61		
8 S/T vacation rentals	265,515.27	129,077.47	53,064.62	116,747.72	564,405.08		
9 Total	<b>1,967,648.75</b>	<b>791,635.32</b>	<b>627,626.31</b>	<b>1,193,649.31</b>	<b>4,580,559.69</b>	<b>4,396,070.00</b>	

## Transient Room Tax— Budget to Actual by Fund

4th Quarter 2023

Transient Room Tax						
Fiscal year ending June 30, 2023						
By Fund						
General Fund						
		qtr 1	qtr 2	qtr 3	qtr 4	total
1	<b>budget</b>	1,951,125	771,375	635,250	1,179,750	4,537,500
2	<b>actual</b>	2,103,874	837,501	611,182	1,242,860	4,795,417
3	<b>variance</b>	152,749	66,126	(24,068)	63,110	257,917
TAF Fund						
		qtr 1	qtr 2	qtr 3	qtr 4	total
4	<b>budget</b>	206,938	81,813	67,375	125,125	481,250
5	<b>actual</b>	223,138	88,826	64,822	131,819	508,605
6	<b>variance</b>	16,201	7,013	(2,553)	6,694	27,355
TRT Fund						
		qtr 1	qtr 2	qtr 3	qtr 4	total
7	<b>budget</b>	206,938	81,813	67,375	125,125	481,250
8	<b>actual</b>	223,138	88,826	64,822	131,819	508,605
9	<b>variance</b>	16,201	7,013	(2,553)	6,694	27,355
Grand Total						
		qtr 1	qtr 2	qtr 3	qtr 4	total
10	<b>budget</b>	2,365,000	935,000	770,000	1,430,000	5,500,000
11	<b>actual</b>	2,550,150	1,015,153	740,826	1,506,497	5,812,627
12	<b>variance</b>	185,150	80,153	(29,174)	76,497	312,627

Transient Room Tax—Tourism and Arts Fund

4th Quarter 2023

City of Cannon Beach									
Fiscal Year 2022-2023									
Tourism and Arts Fund (012)									
		Council	Percent						
		Approved	of	Budgeted	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
		Total	Total	Revenue	Distributions				Total
1	CB Arts Association - Artist Program	31,560	10.81%		12,624.00	6,312.00	4,734.00	7,890.00	31,560
2	CB Arts Association - Blush Lux	19,600	6.71%		7,840.00	3,920.00	-	-	11,760
3	CB Chamber - Fatbike Festival	15,950	5.46%		6,380.00	3,190.00	2,392.50	3,987.50	15,950
4	CB Chamber - Event & Tourism Video	14,087	4.82%		5,634.80	2,817.40	2,113.05	3,521.75	14,087
5	Cannon Beach Library - Wow! Cannon Beach	27,550	9.43%		11,020.00	5,510.00	-	-	16,530
6	CB History Center - Cottage Tour	30,367	10.40%		12,146.80	6,073.40	4,555.05	7,591.75	30,367
7	Clatsop Animal Assistance - Savor CB	41,952	14.36%		16,780.80	8,390.40	6,292.80	10,488.00	41,952
8	Coaster Theatre - Late 2020/2021 Season	56,950	19.50%		22,780.00	11,390.00	8,542.50	14,237.50	56,950
9	NCLC-Coast Walk Oregon 2022	10,000	3.42%		4,000.00	2,000.00	1,500.00	2,500.00	10,000
10	Tolovana Arts Colony - Get Lit at the Beach	33,217	11.37%		13,286.80	6,643.40	4,982.55	8,304.25	33,217
11	Tolovana Arts Colony - CB Comedy Festival	10,831	3.71%		4,332.40	2,166.20	1,624.65	2,707.75	10,831
12	Totals	292,064	100%	481,250	116,825.60	58,412.80	36,737.10	61,228.50	273,204.00
	Breakdown of Distribution %				Receipts from 1%				Total
13	1st Qtr	116,825.60	40%	Hotel/Motel	279,674.67	112,902.44	83,842.25	168,819.41	645,238.77
14	2nd Qtr	58,412.80	20%	Short Term	39,094.11	13,991.71	8,761.04	19,492.74	81,339.60
15	3rd Qtr	43,809.60	15%	rounding					-
16	4th Qtr	73,016.00	25%						
17	Total	292,064.00	100%	Total	318,768.78	126,894.15	92,603.29	188,312.15	726,578.37
18				less: 30%	95,630.63	38,068.25	27,780.99	56,493.65	217,973.51
19	Total available				223,138.15	88,825.91	64,822.30	131,818.51	508,604.86
20				Fund Balance at July 1, 2022					702,433
21				Plus: 1% transient room tax					508,605
22				Less: Distributions					273,204
23				Plus: CB Arts Association - Blush Lux returned Distribution					16,656
24				Plus: Cannon Beach Library - Wow! Cannon Beach returned Distribution					22,288
25				Plus: Loan payment					34,000
26				Ending Fund Balance 06/30/23					1,010,778
27				Ending Fund Balance 06/30/23					1,010,778
28				Accounts Receivable					(131,479)
29				Accounts Payable					61,229
30				Cash on Hand for Distributions 06/30/23					940,528

**Supplemental Report - Fixed Assets****4th Quarter 2023**

		<b>Fiscal Year Ending 2023</b>
	<b>Fixed Asset Expenditures (Capital Outlay)</b>	
1	Cannon Beach Elementary School	458,151
2	Water Resiliency-Phase II-in progress	426,183
3	Cache Site Improvements CSFRF	199,865
4	City Hall Design-in progress	184,589
5	Water Resiliency-Phase I-in progress	140,897
6	Siuslaw/Midway Pump Station	127,440
7	2022 Ford Dump Truck-Public Works	68,050
8	2022 Can Am Defender-Police	41,694
9	2022 Dodge Durango-Police	39,779
10	Pit Tanks-Oscar/Whiskey	24,941
11	East Harrison Waterline	18,600
12	Water Trailer-Emergency Management	18,181
13	Midtown Restroom	11,628
14	Pontoon-Public Works	10,301
15	Conex Box-Tango	8,899
16	Police Department Design-in progress	8,114
17	Fir Street Bridge Rehab	2,482
18	2022 Chevy Colorado Graphics	1,050
19	<b>Total Through June 30, 2023</b>	<b>1,790,844</b>
		<b>Fiscal Year Ending 2022</b>
	<b>Fixed Asset Expenditures (Capital Outlay)</b>	
1	CBE Renovation	527,562
2	Matanuska Lift Station Enclosure	266,201
3	Haystack Pump Station Gravity Main	175,983
4	Cache Site Improvements CSFRF	160,135
5	Warren Way & Hemlock Ped Improvements	152,653
6	Case Skip Loader	99,107
7	Ecola Pump Station Generator	75,434
8	Matanuska Pump Station Electronic Generator	69,353
9	Pacific & Gogona Waterline	68,657
10	Police-2021 Chevy Tahoe	59,954
11	PW-2022 Ford F250	36,860
12	PW-2022 Ford F250	36,860
13	Main Pump Station Generator	34,525
14	Oak Court Stairs	11,493
15	RV Park-John Deere Gator	8,564
16	Storm Improvements 7th & Oak	7,351
17	Sitka Stairs	5,079
18	Pontoon-Public Works	4,819
19	City Hall Design-in progress	403
20	Water Resiliency-Phase I-in progress	324
21	<b>Total Through June 30, 2022</b>	<b>1,801,317</b>

For budget details, please refer to the City of Cannon Beach Adopted Budget for fiscal year ending June 30, 2023. Budget amounts reflect budget adjustments approved by the City Council during the fiscal year. Information and data presented in this report is unaudited.



# CANNON BEACH CITY COUNCIL

## STAFF REPORT

### LIFEGUARD PROGRAM DISCUSSION

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**Agenda Date:** December 12, 2023

**Prepared by:** Bruce St. Denis, City Manager

## BACKGROUND

Last fiscal year the city and fire district began a transition of the management of the lifeguard program from the city to the district.

This year the district has submitted a proposal and budget for total operation of the program including management, staffing, vehicle/equipment acquisition and equipment maintenance.

## ANALYSIS/INFORMATION

As part of the proposal the city's cost will increase from \$165,000 to \$265,000 which coincides with the additional responsibility.

In addition to the annual allocation that would be effective July 1<sup>st</sup>, 2024 the district is also requesting that approximately \$50,000 that was not billed during the 2023 season be remitted to the district and made available to start the hiring process for the 2024 season. This makes sense because the initial allocation from the city was for expenses for the FY 23 and FY 24 lifeguard seasons which extend through July 1<sup>st</sup> 2024.

## RECOMMENDATION

Review the attached proposal and budget from the Fire District and presentation by chief Reckman regarding the program and provide direction to staff.

## List of Attachments

- A Lifeguard proposal from the District.
- B Lifeguard proposal Budget from District

# CANNON BEACH

## RURAL FIRE PROTECTION DISTRICT



## LIFEGUARD PROGRAM PROPOSAL



**Report compiled by:**

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## History

The Cannon Beach Lifeguard program first started in 1938 and was originally funded by donations which were left in mason jars throughout town. Early staffing was just one lifeguard on duty seven days a week. Between 1939 and 1940, two additional lifeguards were added onto the roster increasing the daily staffing to three lifeguards seven days a week.

At some point in the 1950's, the lifeguard program was proving to be an effective program as the lifeguards had conducted several rescues. Seeing the positive impact of the program, it gained funding and formal management through the City of Cannon Beach under the Police Department. This was under the direction of Mac McCoy who was not only the Police Chief, but also the Fire Chief at the time.

In the late 1960's, the City of Cannon Beach employed a group of Australian surfers as head lifeguards. This allowed the program to continue to grow to become the lifeguard program it is today. In 1985, the current tower was built by volunteers which significantly increased the operational effectiveness of the lifeguards as they were now able to scan more easily the four miles of beach. Over the years, the program has tried to maintain three to four lifeguards on the beach at a time. It should also be noted that even in the 1990s, it was stated that only three lifeguards were not enough to effectively cover the beach, especially on busy days.

Historically, Cannon Beach has suffered fatalities involving the ocean usually before and after lifeguard season. In an effort to prevent these fatalities from occurring, as well as help support the lifeguard program and increase interoperability between the two agencies. The Cannon Beach Fire District entered into an intergovernmental agreement (IGA) to help supplement the City of Cannon Beach Lifeguards by the allowing volunteer firefighters the ability to work the beach as lifeguards leading up to, and during the 2022 season.

Prior to the 2023 lifeguard season, it was determined that the City of Cannon Beach Lifeguards were losing both of their Head Lifeguards. Not knowing the future implications this would have on the program, in March of 2023 the Cannon Beach Fire District and City of Cannon Beach Lifeguards reformatted the IGA to have the Fire District assume management of the lifeguard program.

## **2023 Lifeguard Season Overview**

Upon taking over management of the lifeguard program, recruitment efforts began with a goal start date of May 26<sup>th</sup> (several weeks earlier than the normal season start date). During the weeks leading up to the season, interested personnel were recruited, tested, trained, and outfitted. Testing consisted of United States Lifeguard Association (USLA) swimming tests which included 550-yard timed swim, 400-yard timed buddy tow, submerged object retrieval, 15-minute water tread, as well as an open ocean swim evaluation.

Training covered CPR/ First aid, and the USLA Open Ocean Lifeguard curriculum. Personnel were also required to complete all the USLA skills verifications. This training standard was adopted to not only provide members with a consistent training requirement, but also ensure that all the lifeguards were comfortable operating in the ocean environment. By the end of the season, there were 17 lifeguards on staff. Ten were outside applicants and seven were current Cannon Beach Firefighters.

Throughout the season, the goal was to maintain a staffing level of three lifeguards each day. Weekends, holidays, and good weather days were upstaffed to have four lifeguards on duty. Each day, lifeguards were required to staff the tower, rotating each hour. The tower lifeguard's primary duty was to scan the beach, continuously monitoring anyone in the water, as well as all ten semaphores. When lifeguards were not in the tower, they were in vehicles patrolling the beach north and south ensuring no one was placing themselves in dangerous situations.

The lifeguards were required to document all significant contacts they made with beach patrons daily. Below is a list of those contacts with a brief description and number of contacts made during the season.

- First aid – anytime a lifeguard dealt with an injury, from cuts and scrapes to life threatening injuries. (53 contacts)
- Missing/ Found – anytime a missing item was turned into the lifeguard tower, or anytime lifeguards assisted in searching for a missing person. (14 contacts)
- Assist/Other – anytime lifeguards aided the police department, fire district, or provided a citizen a courtesy ride off the beach. (42 contacts)
- Training – anytime lifeguards conducted training while on shift. (33 contacts)
- Education – anytime lifeguards answered questions or helped educate a citizen about beach safety. (211 contacts)

- Prevention – anytime lifeguards removed a citizen from a perceived dangerous situation. (140 contacts)
- Rescue/ Removal – anytime lifeguards had to make entry to rescue a victim from the ocean. (10 contacts)

By the end of the season, Cannon Beach Lifeguards made 504 contacts in total. Out of the 10 rescues that were dispatched, 21 victims were removed from the ocean with only one needing to be transported for evaluation.

## **Future**

Just like Police and Fire, the Lifeguard program is vital to ensuring the community and visitors remain safe. With the increased number of visitors coming from all over the world to visit our beaches here in Cannon Beach, it can no longer be thought of as a “summertime job.” The program needs to be expanded and adapted to match the ever-increasing demand and expectation.

The program needs to be looked at as a year-round program. The Fire District is having to respond to water rescues before the start of the season, and even after the season ends. Just this year, the Fire District responded to a fatality involving a drowning near Tolovana just one week prior to the Lifeguard season officially starting. Looking at the circumstances leading up to the drowning, I believe that had Lifeguards been on the beach patrolling, that fatality would not have occurred. As of writing this proposal, the Fire District has responded to four water rescues since the season has ended.

Originally, the Lifeguard program was designed as an approximately 10-week program spanning July 4<sup>th</sup> to Labor Day. As the program evolved, the season was expanded to cover roughly 13-weeks, starting mid-June, and ending Labor Day. In recent years, it has been further expanded to begin Memorial Day. However, this season lifeguard staffing started on Memorial Day and remained until late September. As we look into the future, it is believed that the lifeguard program should begin May 1<sup>st</sup> and remain staffed through the end of September.

As with any program, proper management, staffing, and training will ensure a safe and effective operation. Historically, the lifeguard program has been treated as a “summertime job.” Only getting attention the month prior to the start of the season. This does not allow members enough time to receive the proper training to be truly ready for the season. Moving the program forward, there needs to be significant preparation done prior to hiring. Off-season swim training, off-season equipment maintenance, and off-season rescue training. Allowing additional training opportunities prior to the start of the season will help to ensure operational readiness and can be used as a recruitment tool, as well as help to build stronger bonds amongst the team members.

To accomplish this increased time commitment, the program needs a full-time manager (Head Lifeguard). This position would be a fire-based responder. During the off-season, they will focus their time on facilitating all the pre-season duties while also assisting the Fire District with responses as needed. Leading into the season, they will invest their time preparing for the season, training new members, recruiting lifeguards, and ensuring all equipment is operationally ready for the start of the season. During the season, they will ensure proper daily staffing, assist with beach coverage, coordinate training evolutions, provide public outreach, and respond to all water rescues.

In addition to the Head Lifeguard, the program would benefit from having two (2) 6-month seasonal Lead Lifeguards. These Lead Lifeguards would be working full-time hours on opposite schedules and would start mid-April and work until mid-October. Their focus would be to assist the Head Lifeguard with recruitment, training, public outreach, and provide pre-season beach coverage. During the season, they would assist the Head Lifeguard as needed, however their primary mission is to ensure quality beach coverage is maintained daily.

Lastly, the lifeguard program would not be successful without regular seasonal lifeguards. These are the students, teachers, surfers, and those looking to further their life experiences. These members would begin Memorial Day and work until Labor Day. Covering the beach for 10 hours a day, 7 days a week. The ideal staffing would be to maintain four lifeguards on the beach each day. An example of the staffing model would be as follows:

- Head Lifeguard -or- Lead Lifeguard (Stationary/ Patrolling)
- Seasonal Lifeguard (Tower)
- Seasonal Lifeguard (Patrolling)
- Seasonal Lifeguard (Patrolling)

## Challenges

As you can assume, any program brings with it unique challenges. Having managed the lifeguard program last year, there were several issues that were identified. Below is a list of those challenges:

**Longer Season** – Historically, the lifeguards were staffed by teachers and students who were on their summer breaks. This usually meant that lifeguard staffing was not possible until mid to late June. Unfortunately, over the past several years, the Fire District has had fatalities involving the ocean before the official start of the season.

*Solution: Hiring the full-time Head Lifeguard, as well as two (2) 6-month seasonal Lead Lifeguards will allow earlier coverage of the beach.*

**Lack of management** – This program needs consistent oversight to be successful. Lack of proper management has led to poor retention and recruitment, inadequate lifeguard training, poorly maintained equipment, disorganized and uncoordinated responses to active water rescues just to name a few.

*Solution: Hiring the full-time Head Lifeguard, as well as two (2) 6-month seasonal Lead Lifeguards will allow for increased program oversight. They will be able to establish an effective program outline, conduct required training, ensure consistent daily operations, conduct proper maintenance on all equipment on and off-season, and integrate effectively with Law Enforcement, State Parks, and Fire District personnel during their day-to-day operations, as well as on emergency scenes.*

**Inadequate Compensation** – The Cannon Beach Lifeguards have not seen a pay rate increase in over five (5) years. Every day, they are required to endure the sun, wind, rain, as well as the expectations to serve. With the housing situation being a constant struggle, as well as the fact that cost of living is increasing at a steady rate, the Lifeguard position should be adequately compensated. This increase in pay would not only help with future retention, but also recruitment efforts as it will help to attract possible candidates from a larger area.

*Solution: Increase the per-hour rate to be more attractive for the seasonal Lifeguards. Additionally, ensure that the Head Lifeguard and Lead Lifeguard positions are compensated at a rate that will attract quality candidates and ensure future retention.*

**Outdated Equipment** – During the season, the lifeguard’s equipment is exposed to some of the harshest environments around. Unfortunately, this constant exposure coupled with a lack of adequate maintenance and replacement has resulted in irreparable damage to several critical pieces of equipment. Below is a list of equipment that will need to be replaced prior to the start of the next season:

- **Polaris Side-by-Side:** This vehicle is used to patrol the beach, as well as respond to rescues. Due to severe rust, several critical components to include the 4-wheel drive function do not operate. This has resulted in the vehicle getting stuck on several occasions.
- **ATV:** The Lifeguard’s normally have two (2) ATVs which are used for transporting Lifeguards down to the beach, as well as conducting beach patrols and rescue responses. At the start of this season, it was determined that one of the ATVs is out of service and irreparable, leaving only one ATV.
- **Dodge Truck:** This is the primary vehicle used to patrol the beach and respond to rescues. While the vehicle is still operational, it is showing significant signs of wear which may render it out of service at any moment. Additionally, this vehicle has a very long wheelbase which makes navigating the busy beach difficult. A new, shorter wheelbase vehicle would better suit the needs of the lifeguards.
- **Lifeguard Tower:** With nearly four miles of beach to monitor, the Lifeguard tower is one of the most critical pieces of equipment the lifeguards use daily. Built in or around 1985, the tower is weathered and is beginning to fail. Before the start of the season, Coasters Construction had to rebuild the top portion of the tower, as well as replace several main structural supports.
- **Rescue Boards:** Several of the current in-service rescue boards have been damaged and repaired multiple times. Unfortunately, they are getting to the point where they will not be able to be repaired and will have to be removed from service.

*Solution: Immediately purchase a new side-by-side, investigate options for a new truck, work with Coasters Constructions to begin engineering a new tower. Develop a robust vehicle maintenance program, as well as implement a realistic apparatus replacement cycle.*

# PROPOSAL



In order to effectively combat the above listed challenges, the Cannon Beach Fire District would recommend moving the program from a reimbursement-based contract to a contract for services. This contract for services would last 3 years and the City of Cannon Beach will pay the Fire District annually. The City of Cannon Beach would pay Cannon Beach Fire District the below program startup cost in January of 2024. In July the City of Cannon Beach would pay Cannon Beach Fire District the annual cost, minus excess from personnel costs in the previous budget year. The following two years, the same would apply in July. Each July, Cannon Beach Fire District would provide the City of Cannon Beach an invoice for services, with a statement of personal service from the previous budget year.

### **Lifeguard Staffing Budget:**

#### **Head Lifeguard**

- Full-time position.
- 2/3 of the position dedicated to Lifeguards.
  - Salary - \$85,444
  - PERS - \$32,358
  - FICA - \$6,536
  - Insurance - \$30,000

**TOTAL = \$154,338**

#### **Lead Lifeguards**

- 2 Lead Lifeguards for 6 months (April through October).
  - Salary - \$58,195
  - PERS - \$22,039
  - FICA - \$4,452

**TOTAL = \$84,686**

#### **Seasonal Lifeguards**

- 3 Seasonal Lifeguards for 22 weeks at \$19-23 per hour.
  - Total cost including PERS, FICA, and potential overtime.

**TOTAL = \$150,000**

**Additional Program Budgets:****Capital**

- Equipment Replacement Budget:
  - Vehicles
    - \$2,000 a year to plan for purchase \$10,000 vehicle to last 5 years.
  - UTV x2
    - \$10,000 a year to replace every 5 years.
  - Lifeguard Tower
    - \$5,000 a year in repairs
  - Wet Suits
    - \$1,800 a year
  - Rescue Tubes
    - \$100 a year
  - Rescue Boards
    - \$1,800 a year

**TOTAL = \$20,490**

**Materials & Services**

- Operational expenditures:
  - Uniforms
    - \$3,000
  - EMS supplies
    - \$1,000
  - Fuel
    - \$5,000
  - Vehicle Maintenance
    - \$15,000
  - Supplies
    - \$2,000
  - Signage
    - \$5,000
  - Payroll costs
    - \$3, 000
  - Worker Comp
    - \$3,000

**TOTAL = \$37,000**

**TOTAL = \$394,039**

**Program Start-up Cost**

In order to have the program in place by next season, the following costs could be incurred:

- Head Lifeguard - \$50,000
- Lead Lifeguards - \$42,000
- Seasonal Lifeguards - \$58,500

**TOTAL = \$150,500**

# **City of Cannon Beach Contract**

## **SECTION 3 - SERVICES TO BE PROVIDED BY DISTRICT**

Under this Agreement, the District shall be responsible to:

- 3.1 Recruit and hire an adequate number of lifeguards before the start of the Season. All lifeguards shall be employees of the District.
- 3.2 Train all lifeguards to the American Red Cross lifeguard standard or another mutually agreed certification.
- 3.3 Expectation is to staff four (4) lifeguards during the Duty Shift and a minimum staffing will be two (2) lifeguards.
- 3.4 Have lifeguards present on the Beach from 11:00am to 7:15pm. The remainder of the Duty Shift may be used for equipment setup and cleanup off the Beach.
- 3.5 Provide all training, equipment, and apparatus for lifeguards

## **SECTION 4 - SERVICES TO BE PROVIDED BY CITY**

Under this Agreement, the City shall be responsible to:

- 4.1 Provide access to and use of all equipment stored at the Lifeguard Shed located behind the Cannon Beach Police Department station as of the Effective Date.
- 4.2 Provide assistance with the movement of Lifeguard Tower to be centrally located on the Beach near Haystack Rock and installation and removal of semaphores.
- 4.3 Sign over all Lifeguard vehicles, including ATVs and side-by-sides to the Fire District.

**SECTION 5 - COSTS**

- 5.1 The City shall pay the District for lifeguard services, this includes management, equipment, and personnel.
- 5.2 The City will pay the Fire District a one-time cost in January of 2024 of \$50,000
- 5.3 The City of Cannon Beach shall pay the Cannon Beach Fire District \$265,000 every July for Lifeguard services.

		PROPOSED HIGH
		Comment
<b>Captain</b>		Management of program
Salary	\$85,444	
PERS	\$32,358	
FICA	\$6,536	
Insurance	\$30,000	
<b>Total 2/3 time</b>	<b>\$101,863</b>	
<b>head guards</b>		
Salary	\$58,195	2 leads @ 28 an hour for 6 months
Overtime		
PERS	\$22,039	
FICA	\$4,452	
<b>Total</b>	<b>\$84,686</b>	
<b>Lifeguards</b>		
Salary	\$106,260	Planning for 3 guards for 22 weeks @ \$23
Overtime	\$50,000	
PERS	\$59,176	
FICA	\$11,954	
<b>Total</b>	<b>\$150,000</b>	
<b>capital</b>		
Vehicle	\$2,000	purchase \$10000 vehicles expect them to last 5 years.
UTV X 2	\$10,000	New every 5 years \$50,000
tower	\$5,000	Annual repairs
suits	\$1,600	3 years life span
tubes	\$90	3 every 5 years
boards	\$1,800	3 every 5 years
<b>total capital</b>	<b>\$20,490</b>	
<b>M&amp;S</b>		
Uniforms	\$3,000	
EMS	\$1,000	
Fuel	\$5,000	
Vehcile Maint	\$15,000	
supplies	\$2,000	
Signage	\$5,000	
Accounting	\$3,000	
Workers comp	\$3,000	
<b>total M&amp;S</b>	<b>\$37,000</b>	
<b>BUDGET TOTAL</b>	<b>\$394,039</b>	
City Contribution	\$265,000	
District Portion	\$181,514	

		<b>Proposed LOW</b>
		Comment
<b>Captain</b>		Management of program
Salary	\$85,444	
PERS	\$28,137	
FICA	\$6,536	
Insurance	\$12,000	
<b>Total 2/3 time</b>	<b>\$87,197</b>	
<b>head guards</b>		
Salary	\$58,195	2 leads @ 28 an hour for 6 months
Overtime		
PERS		
FICA	\$4,452	
<b>Total</b>	<b>\$62,647</b>	
<b>Lifeguards</b>		
Salary	\$70,132	Planning for 3 guards for 22 weeks @ \$23
Overtime	\$25,000	
PERS	\$12,009	
FICA	\$7,278	
<b>Total</b>	<b>\$114,418</b>	
<b>capital</b>		
Vehicle	\$2,000	purchase \$10000 vehicles expect them to last 5 years.
UTV X 2	\$10,000	New every 5 years \$50,000
tower	\$5,000	Annual repairs
suits	\$1,600	3 years life span
tubes	\$90	3 every 5 years
boards	\$1,800	3 every 5 years
<b>total capital</b>	<b>\$20,490</b>	
<b>M&amp;S</b>		
Uniforms	\$3,000	
EMS	\$1,000	
Fuel	\$5,000	
Vehcile Maint	\$15,000	
supplies	\$2,000	
Signage	\$5,000	
Accounting	\$3,000	
Workers comp	\$3,000	
<b>total M&amp;S</b>	<b>\$37,000</b>	
<b>BUDGET TOTAL</b>	<b>\$321,752</b>	
City Contribution	\$265,000	
District Portion	\$101,672	



# CANNON BEACH CITY COUNCIL

## STAFF REPORT

### HAYSTACK ROCK VIOLATION – PENALTY LANGUAGE

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**Agenda Date:** December 12, 2023

**Prepared by:** Bruce St. Denis, City Manager

## BACKGROUND

At the November 14<sup>th</sup>, 2023 meeting during the discussion regarding removing the misdemeanor references in the code, Council requested information regarding the citing process and the options available.

## ANALYSIS/INFORMATION

Attached is the email from Chief Schermerhorn to Council with information from \US Fish and Wildlife Service Patrol Captain, Glendal Phan.

## RECOMMENDATION

Provide staff direction if you would like to make additional revisions to 12.28.040 beyond removing the word misdemeanor. Staff will bring an Ordinance to the January 2nd Council meeting amending this language.

Chapter 12.28 HAYSTACK ROCK  
12.28.040 Violation—Penalty.

Violation of this chapter shall constitute a misdemeanor and be punishable on conviction by a fine of not more than five hundred dollars. (Ord. 83-7 § 8; Ord. 68-11 § 2)

## List of Attachments

A Email from Chief Schermerhorn dated November 17, 2023



**From:** [Jason Schermerhorn](#)  
**To:** [Bruce St. Denis](#); [Jennifer Barrett](#); [City Council Group](#)  
**Subject:** Haystack Rock  
**Date:** Friday, November 17, 2023 12:31:16 PM  
**Attachments:** [image002.png](#)

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Good morning,

I have been reaching out to different U.S. Fish and Wildlife officials regarding our conversation at the council meeting the other night regarding Haystack Rock. As I mentioned at the meeting whenever there is an incident at the rock (depending on the situation) we obtain the subjects information and forward a report to Senior Federal Wildlife Officer Scott Neumann who will either cite the individual(s) into Federal Court. Depending on the severity of what the individual has done (for example, they are taking or harassing wildlife) it could be additional fines for each violation.

Today, I spoke with Scott Neumann's supervisor, Captain Glendale Phan. He was aware of the process we currently use, and his response was, "I think what we are doing now is perfect". He also sent an email that is below detailing the law that we are discussing.

***"Hi Chief, thanks for taking the phone call and per our conversation***

***50 CFR 26.21(a)***

***Trespassing on National Wildlife Refuge (NWR)***

***Failing to show a recreational user permit***

***Entering a closed area***

***Federal Court Citation of \$200 or mandatory court appearance.***

***Please continue to forward any Haystack rock violations to Senior Federal Wildlife Officer Scott Neumann [Scott\\_neumann@fws.gov](mailto:Scott_neumann@fws.gov). 541-961-9399***



**Glendale Phan**  
 Patrol Captain, Region 1 Pacific Coastal Zone

U.S. Fish and Wildlife Service  
 Division of Refuge Law Enforcement  
 19255 SW Pacific Hwy  
 Sherwood, OR 97140

Cell: 360-292-3500  
 Email: [glendale\\_phan@fws.gov](mailto:glendale_phan@fws.gov)

***"***

Mayor and Council, if you would like Cannon Beach Officers to cite these individuals into our Municipal Court, he said that we can do that and then just forward the reports to them, so they have record of it in case the individual has done this somewhere else or in the future.

I am not sure that the fine needs to be excessive but could be up to \$1,000. The problem is that you have families that are being curious and don't see the signs and you have individuals who admit they saw the sign and tell us they didn't care, those are two completely different circumstances. I would also suggest we have HRAP put out more signage when they are out there.

Let me know if you have any further questions.

Jason



**Jason Schermerhorn**

*Chief of Police*

**Cannon Beach Police Department**

p: 503.436.8071 | tty: 503.436.8097 | f: 503.436.1584

a: 163 E. Gower St. | PO Box 368 | Cannon Beach, OR 97110

w: [www.ci.cannon-beach.or.us](http://www.ci.cannon-beach.or.us) | e: [schermerhorn@ci.cannon-beach.or.us](mailto:schermerhorn@ci.cannon-beach.or.us)

DISCLOSURE NOTICE: Messages to and from this email address may be subject to Oregon Public Records Law.



# CANNON BEACH CITY COUNCIL

## STAFF REPORT

CONSIDERATION OF RESOLUTION 23-24 FOR THE PURPOSE OF APPROVING CHANGES TO THE FY 2023-2024 BUDGET BY INCREASING APPROPRIATIONS IN THE GENERAL FUND TO ALLOW FOR THE PURCHASE OF A ROOF, DOORS, AND A COVER FOR THE UTV.

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**Agenda Date:** December 12, 2023

**Prepared by:** Mylasia Miklas, HRAP Interim Director

## BACKGROUND

In August of FY 2023-2024, a Polaris Ranger Crew SP 570 UTV was successfully purchased, overcoming challenges posed by manufacturer delays. The UTV lacks essential accessories such as a roof, doors, or a protective cover, which are essential in protecting and prolonging the UTV's longevity. Given the diverse functions the UTV is expected to fulfill, our goal is to guarantee its reliable performance over the years. The UTV is currently being stored within the Cannon Beach Elementary School gym. The goal is to have these items purchased and installed before the start of our next season.

The UTV was purchased to advance our conservation and education efforts in several ways.

1. **Provide accessibility for physically disabled volunteers:** Our UTV will be used to transport mobility impaired volunteers who are eager to contribute their time and efforts to volunteering on a beach shift. This inclusivity measure will ensure that everyone, regardless of their mobility limitations, can play a role in our program's mission.
2. **Efficient Resource Management:** Our UTV will help our staff transport equipment and personnel efficiently, reducing the need for multiple trips. It will also allow staff to quickly set up signs and ropes, allowing them more time to engage with visitors.
3. **Wildlife Rescue and Monitoring:** Our UTV will be used to rescue sick and injured seabirds in the vicinity of Haystack Rock. The UTV will also allow us to locate and help monitor beached marine mammals quickly and efficiently.
4. **Spare Vehicle:** Our UTV will be used as a spare vehicle in case our truck is out for repair or routine maintenance, ensuring the continuity of our operations.

## ANALYSIS/INFORMATION

No additional funds were designated within the FY 2023-2024 budget for additional purchases related to the UTV. We are requesting a budget adjustment that includes capital outlay of \$7,779.96 to complete the purchase of additional accessories needed for the UTV.

## RECOMMENDATION

Adopt resolution 23-24 Suggested motion:

“I move to adopt Resolution 23-24 for the purpose of approving changes to the FY 2023-2024 budget by increasing appropriations in the general fund to allow for a capital outlay for the purchase of a roof, doors, and a cover for the UTV.”

**List of Attachments**

A      Resolution 23-24

## BEFORE THE CITY OF CANNON BEACH

FOR THE PURPOSE OF APPROVING INCREASES ) RESOLUTION NO. 23-24  
 AND DECREASES TO THE FY 2023-2024 BUDGET )  
 BY MAKING AN INTRAFUND TRANSFER OF AP- )  
 PROPRIATIONS )

WHEREAS, the HRAP program of the General Fund Executive Department purchased a UTV in the current fiscal year ending June 30, 2024; and

WHEREAS, the UTV lacks essential accessories such as a roof, doors, or a protective cover and are essential in protecting and prolonging the UTV's longevity; and

WHEREAS, the accessories will cost \$7,779.96 and should be purchased and installed before the next season begins; and

WHEREAS, funds to purchase the accessories were not budgeted in the 2023/2024 budget year; and

WHEREAS, in order to fund these purchases, contingency shall be used to amend the General Fund HRAP budget. This will increase expenditures in the General Fund in the amount of \$8,000 and reduce contingency by same; and

NOW, THEREFORE, BE IT RESOLVED that the City Commission of the City of Cannon Beach hereby adopts the following 2023-2024 budget changes for unanticipated revenues and expenses.

<b>General Fund</b>	<b>Adopted Budget</b>	<b>Changes</b>	<b>Amended Budget</b>
Executive	\$ 1,727,836	8,000	\$ 1,735,836
Community Development	779,477		779,477
Public Works	1,034,584		1,034,584
Public Safety	2,410,328		2,410,328
Emergency Management	551,685		551,685
Non Departmental - Materials and Services	877,001		877,001
Non Departmental -Transfers Out	1,906,382		1,906,382
Non Departmental - Contingency	737,091	(8,000)	729,091
<b>Total Expenditures</b>	<b>\$ 10,024,384</b>	<b>0</b>	<b>\$ 10,024,384</b>
<b>Ending Fund Balance</b>	<b>\$ 937,454</b>	<b>0</b>	<b>\$ 937,454</b>
<b>Total Requirements</b>	<b>\$ 10,961,838</b>	<b>0</b>	<b>\$ 10,961,838</b>

Passed by the Common Council of the City of Cannon Beach this 12th day of December, 2023, by the following roll call vote:

YEAS:  
 NAYS:  
 EXCUSED:

\_\_\_\_\_  
 Barb Knop, Mayor

Attest:

\_\_\_\_\_  
 Bruce St. Denis, City Manager



# CANNON BEACH CITY COUNCIL

## STAFF REPORT

RES 23-25 FOR THE PURPOSE OF APPROVING INCREASES AND DECREASES TO THE FY 2023-2024 BUDGET BY MAKING AN INTRAFUND TRANSFER OF APPROPRIATIONS and WATER RESILIENCY PHASE 1 – SEISMIC IMPROVEMENTS CONSTRUCTION PROJECT AWARD

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**Agenda Date:** December 12, 2023

**Prepared By:** Karen La Bonte, Public Works Director

## BACKGROUND

Phase 1 (Seismic Improvements) of the Water Resiliency Project is funded by a favorable-term loan from Business Oregon. With consulting engineering firm Windsor Engineers, who estimated the project's value at \$589,370.00, the City advertised an Invitation to Bid on the construction element of this phase beginning in late July 2023. The City received two bids on September 13, 2023. Both bids were in significant excess of the Engineers Opinion of Probable Cost for the project.

The city rebid the project on November 29, 2023. Five bids were received.

## ANALYSIS/INFORMATION

The apparent low bidder is Halme Excavating Inc. from Battle Ground, Washington with a bid amount of \$663,480.00. In accordance with our City ordinance, the City Council must authorize contract awards for construction projects of this dollar amount.

While the apparent low bid is significantly lower than the initial bid, additional funds are needed to complete the project. After researching the options for additional funding, staff determined the best course of action would be a transfer from the water reserve contingency.

It is expected that the project will be completed by October 31, 2024.

## RECOMMENDATION

Staff recommends the Council authorize staff to award the contract to Halme Excavating Inc and adopt Resolution 23-XX to transfer funds from water contingency.

Suggested motion:

"I move to approve the contract award to Halme Excavating Inc for the Water Resiliency Phase 1 Seismic Valve project and Adopt Resolution 23-XX for the purpose of Approving Increases and Decreases to the FY 2023-2024 Budget by Making An Intrafund Transfer of Appropriations "

## List of Attachments:

- A Bid Tabs
- B Resolution 23-25

		UNITS	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	BID FORM
	PART 1 - SITE IMPROVEMENTS			ENGINEERS ESTIMATE		HALME EXCAVATING		BIG RIVER CONSTRUCTION, INC.		ADVANCED EXCAVATION		JESSE RODRIGUES CONST		ELK MT CONSTRUCTION		
1	MOBILIZATION	LS	1	\$ 60,000.00	\$ 60,000.00	\$ 51,000.00	\$ 51,000.00	\$ 61,000.00	\$ 61,000.00	\$ 60,000.00	\$ 60,000.00	\$ 40,000.00	\$ 40,000.00	\$ 41,000.00	\$ 41,000.00	\$ 41,000.00
2	TEMPORARY SIGNS	LS	1	\$ 2,000.00	\$ 2,000.00	\$ 3,500.00	\$ 3,500.00	\$ 1,377.00	\$ 1,377.00	\$ 2,000.00	\$ 2,000.00	\$ 1,500.00	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
3	EROSION CONTROL	EA	3	\$ 5,000.00	\$ 15,000.00	\$ 2,500.00	\$ 7,500.00	\$ 9,195.00	\$ 27,585.00	\$ 7,000.00	\$ 21,000.00	\$ 7,500.00	\$ 22,500.00	\$ 4,000.00	\$ 12,000.00	\$ 12,000.00
4	REMOVE CONCRETE SURFACING	SY	40	\$ 100.00	\$ 4,000.00	\$ 55.00	\$ 2,200.00	\$ 88.00	\$ 3,520.00	\$ 38.00	\$ 1,520.00	\$ 35.00	\$ 1,400.00	\$ 250.00	\$ 10,000.00	\$ 10,000.00
5	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	LS	1	\$ 15,000.00	\$ 15,000.00	\$ 25,000.00	\$ 25,000.00	\$ 1,000.00	\$ 1,000.00	\$ 4,400.00	\$ 4,400.00	\$ 19,099.00	\$ 19,099.00	\$ 37,600.00	\$ 37,600.00	\$ 37,600.00
6	REMOVE VALVES	EA	8	\$ 500.00	\$ 4,000.00	\$ 550.00	\$ 4,400.00	\$ 150.00	\$ 1,200.00	\$ 1,030.00	\$ 8,240.00	\$ 2,200.00	\$ 17,600.00	\$ 1,000.00	\$ 8,000.00	\$ 8,000.00
7	REMOVE PIPE	LF	100	\$ 35.00	\$ 3,500.00	\$ 25.00	\$ 2,500.00	\$ 38.00	\$ 3,800.00	\$ 25.00	\$ 2,500.00	\$ 25.00	\$ 2,500.00	\$ 10.00	\$ 1,000.00	\$ 1,000.00
8	PORTLAND CEMENT CONC. PAVEMENT SAW CUTTING	LF	60	\$ 30.00	\$ 1,800.00	\$ 8.00	\$ 480.00	\$ 6.00	\$ 360.00	\$ 15.00	\$ 900.00	\$ 15.00	\$ 900.00	\$ 40.00	\$ 2,400.00	\$ 2,400.00
9	REMOVE & REINSTALL FENCE	LS	1	\$ 5,000.00	\$ 5,000.00	\$ 2,800.00	\$ 2,800.00	\$ 3,758.00	\$ 3,758.00	\$ 800.00	\$ 800.00	\$ 9,899.00	\$ 9,899.00	\$ 4,400.00	\$ 4,400.00	\$ 4,400.00
10	REMOVE & REINSTALL LADDER	LS	1	\$ 3,000.00	\$ 3,000.00	\$ 750.00	\$ 750.00	\$ 1,172.00	\$ 1,172.00	\$ 700.00	\$ 700.00	\$ 3,497.00	\$ 3,497.00	\$ 4,400.00	\$ 4,400.00	\$ 4,400.00
11	EXCAVATION AND EMBANKMENT	L	1	\$ 40,000.00	\$ 40,000.00	\$ 9,500.00	\$ 9,500.00	\$ 18,121.00	\$ 18,121.00	\$ 4,000.00	\$ 4,000.00	\$ 24,950.00	\$ 24,950.00	\$ 112,400.00	\$ 112,400.00	\$ 112,400.00
12	6" CONCRETE SURFACING	SY	40	\$ 250.00	\$ 10,000.00	\$ 90.00	\$ 3,600.00	\$ 225.00	\$ 9,000.00	\$ 270.00	\$ 10,800.00	\$ 205.00	\$ 8,200.00	\$ 300.00	\$ 12,000.00	\$ 12,000.00
	SUBTOTAL PART 1 - STREET IMPROVEMENTS				\$ 163,300.00		\$ 113,230.00		\$ 131,893.00		\$ 116,860.00		\$ 152,045.00		\$ 246,200.00	\$ 246,200.00

		UNITS	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	BID FORM
	PART 2 - RESERVOIR IMPROVEMENTS			ENGINEERS ESTIMATE		HALME EXCAVATING		BIG RIVER CONSTRUCTION, INC.		ADVANCED EXCAVATION		JESSE RODRIGUES CONST		ELK MT CONSTRUCTION		
13	WATERMAIN BYPASS	EA	1	\$ 15,000.00	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00	\$ 0.01	\$ 0.01	\$ 7,000.00	\$ 7,000.00	\$ 7,500.00	\$ 7,500.00	\$ -	\$ -	\$ -
14	CONNECT TO EXISTING WATERMAIN	EA	2	\$ 10,000.00	\$ 20,000.00	\$ 2,500.00	\$ 5,000.00	\$ 1,806.00	\$ 3,612.00	\$ 3,350.00	\$ 6,700.00	\$ 4,118.00	\$ 8,236.00	\$ 14,500.00	\$ 29,000.00	\$ 29,000.00
15	4" FLEXTEND	EA	1	\$ 8,000.00	\$ 8,000.00	\$ 5,500.00	\$ 5,500.00	\$ 6,500.00	\$ 6,500.00	\$ 4,900.00	\$ 4,900.00	\$ 3,645.00	\$ 3,645.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
16	16 8" FLEXTEND	EA	2	\$ 10,000.00	\$ 20,000.00	\$ 8,000.00	\$ 16,000.00	\$ 10,500.00	\$ 21,000.00	\$ 10,200.00	\$ 20,400.00	\$ 10,113.00	\$ 20,226.00	\$ 7,000.00	\$ 14,000.00	\$ 14,000.00
17	12" FLEXTEND	EA	2	\$ 15,000.00	\$ 30,000.00	\$ 14,000.00	\$ 28,000.00	\$ 15,500.00	\$ 31,000.00	\$ 15,400.00	\$ 30,800.00	\$ 16,358.00	\$ 32,716.00	\$ 12,000.00	\$ 24,000.00	\$ 24,000.00
18	10' x 8' VAULT	EA	1	\$ 25,000.00	\$ 25,000.00	\$ 52,000.00	\$ 52,000.00	\$ 26,100.00	\$ 26,100.00	\$ 40,000.00	\$ 40,000.00	\$ 42,645.00	\$ 42,645.00	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00
19	12" GATE VALVE	EA	4	\$ 2,000.00	\$ 8,000.00	\$ 4,500.00	\$ 18,000.00	\$ 4,820.00	\$ 19,280.00	\$ 5,100.00	\$ 20,400.00	\$ 5,211.00	\$ 20,844.00	\$ 4,000.00	\$ 16,000.00	\$ 16,000.00
20	8" GATE VALVE WITH ACTUATOR	EA	1	\$ 16,000.00	\$ 16,000.00	\$ 24,000.00	\$ 24,000.00	\$ 25,200.00	\$ 25,200.00	\$ 23,500.00	\$ 23,500.00	\$ 25,240.00	\$ 25,240.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00
21	12" GATE VALVE WITH ACTUATOR	EA	1	\$ 24,000.00	\$ 24,000.00	\$ 26,400.00	\$ 26,400.00	\$ 27,200.00	\$ 27,200.00	\$ 25,800.00	\$ 25,800.00	\$ 27,000.00	\$ 27,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00
22	8" CHECK VALVE	EA	1	\$ 1,500.00	\$ 1,500.00	\$ 2,600.00	\$ 2,600.00	\$ 4,765.00	\$ 4,765.00	\$ 4,620.00	\$ 4,620.00	\$ 5,090.00	\$ 5,090.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
23	12" CHECK VALVE	EA	2	\$ 2,000.00	\$ 4,000.00	\$ 8,400.00	\$ 16,800.00	\$ 9,600.00	\$ 19,200.00	\$ 8,650.00	\$ 17,300.00	\$ 10,750.00	\$ 21,500.00	\$ 8,000.00	\$ 16,000.00	\$ 16,000.00
24	HYDRANT ASSEMBLIES	EA	2	\$ 5,000.00	\$ 10,000.00	\$ 9,600.00	\$ 19,200.00	\$ 12,500.00	\$ 25,000.00	\$ 12,000.00	\$ 24,000.00	\$ 11,493.00	\$ 22,986.00	\$ 12,000.00	\$ 24,000.00	\$ 24,000.00
25	12 INCH HDPE PIPE	LF	20	\$ 200.00	\$ 4,000.00	\$ 500.00	\$ 10,000.00	\$ 300.00	\$ 6,000.00	\$ 280.00	\$ 5,600.00	\$ 475.00	\$ 9,500.00	\$ 150.00	\$ 3,000.00	\$ 3,000.00
26	8 INCH DUCTILE IRON PIPE	LF	10	\$ 300.00	\$ 3,000.00	\$ 175.00	\$ 1,750.00	\$ 326.00	\$ 3,260.00	\$ 400.00	\$ 4,000.00	\$ 550.00	\$ 5,500.00	\$ 20.00	\$ 200.00	\$ 2,000.00
27	12 INCH DUCTILE IRON PIPE	LF	80	\$ 400.00	\$ 32,000.00	\$ 450.00	\$ 36,000.00	\$ 400.00	\$ 32,000.00	\$ 620.00	\$ 49,600.00	\$ 758.00	\$ 60,640.00	\$ 80.00	\$ 6,400.00	\$ 6,400.00
28	SHAKE ALERT CONTROL	LS	1	\$ 90,000.00	\$ 90,000.00	\$ 167,000.00	\$ 167,000.00	\$ 126,000.00	\$ 126,000.00	\$ 167,500.00	\$ 167,500.00	\$ 111,476.00	\$ 111,476.00	\$ 154,600.00	\$ 154,600.00	\$ 154,600.00
29	ELECTRICAL SYSTEMS	LS	1	\$ 80,000.00	\$ 80,000.00	\$ 112,000.00	\$ 112,000.00	\$ 189,500.00	\$ 189,500.00	\$ 150,000.00	\$ 150,000.00	\$ 150,938.00	\$ 150,938.00	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00
	SUBTOTAL PART 2 - RESERVOIR IMPROVEMENTS				\$ 390,500.00		\$ 550,250.00		\$ 565,617.01		\$ 602,120.00		\$ 575,682.00		\$ 606,200.00	\$ 608,000.00

CONSTRUCTION BID SUMMARY	ENGINEERS ESTIMATE	HALME EXCAVATING	BIG RIVER CONSTRUCTION, INC.	ADVANCED EXCAVATION	JESSE RODRIGUES CONST	ELK MT CONSTRUCTION	BID FORM
CONSTRUCTION BID PART 1 - SITE IMPROVEMENTS	\$ 163,300.00	\$ 113,230.00	\$ 131,893.00	\$ 116,860.00	\$ 152,045.00	\$ 246,200.00	\$ 246,200.00
CONSTRUCTION BID PART 2 - RESERVOIR IMPROVEMENTS	\$ 390,500.00	\$ 550,250.00	\$ 565,617.01	\$ 602,120.00	\$ 575,682.00	\$ 606,200.00	\$ 608,000.00
TOTAL-BID	\$ 553,800.00	\$ 663,480.00	\$ 697,510.01	\$ 718,980.00	\$ 727,727.00	\$ 852,400.00	\$ 854,200.00

## BEFORE THE CITY OF CANNON BEACH

FOR THE PURPOSE OF APPROVING INCREASES ) RESOLUTION NO. 23-25  
 AND DECREASES TO THE FY 2023-2024 BUDGET )  
 BY MAKING AN INTRAFUND TRANSFER OF AP- )  
 PROPRIATIONS )

WHEREAS, the city budgeted for seismic improvements in the water fund, Phase I of the Water Resiliency Project, in the fiscal year ending June 30, 2024 budget in the amount of \$586,000; and

WHEREAS, the bids received were greater than what was anticipated in the 2023-2024 budget; and

WHEREAS, upon rebidding the project on November 29, 2023, the apparent low bid came in at \$663,480; and

WHEREAS, to fund the project cost of \$663,480 the use of budgeted contingency from the Water Reserve fund is recommended by staff; and

WHEREAS, contingency of \$77,480 from the Water Reserve Fund will be used to add to the existing budgeted project cost of \$586,000. This will increase expenditures in the Water Reserve fund in the amount of \$77,480; and

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Cannon Beach hereby adopts the following FY 2023-2024 budget changes to the following fund.

<b>Water Reserve Fund</b>	<b>Adopted Budget</b>	<b>Changes</b>	<b>Amended Budget</b>
Water Reserve Program	\$ 9,717,258	77,480	\$ 9,794,738
Contingency	220,742	(77,480)	143,262
Total Expenditures	<u>\$ 9,938,000</u>	<u>0</u>	<u>\$ 9,938,000</u>

Passed by the Common Council of the City of Cannon Beach this 12<sup>th</sup> day of December 2023, by the following roll call vote:

YEAS:  
 NAYS:  
 EXCUSED:

\_\_\_\_\_  
 Barb Knop, Mayor

Attest:

\_\_\_\_\_  
 Bruce St. Denis, City Manager





# CANNON BEACH CITY COUNCIL

## STAFF REPORT

RESOLUTION 23-26 A RESOLUTION DECLARING THE NEED TO ACQUIRE CERTAIN REAL PROPERTY FOR DRAINAGE PROJECT and RESOLUTION 23-27 A RESOLUTION DECLARING THE NEED TO ACQUIRE CERTAIN PROPERTY FOR WATER UTILITY IMPROVEMENTS FOR A LOOPED WATER SYSTEM

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**Agenda Date:** December 12, 2023

**Prepared by:** Karen La Bonte, Public Works Director

## BACKGROUND

As the Council is aware, the City is in the process of acquiring property in preparation for two critical projects. This staff report is to support the need for these projects and the need for the City to acquire these properties.

## ANALYSIS/INFORMATION

**Presidential Outfalls** – OPRD is requiring the city to remove the five storm drain outfalls that run from Ocean Ave. out to the ocean shore between Washington and Harrison Streets. There are three tax lots along the beach that are between the city right of way and the OPRD ocean shore property that must be crossed to perform the work OPRD mandated. The City has tried repeatedly to contact the owners of the lots through various means without success. At this point, because these properties are critical for this project, the City wants to ensure that all the proper steps have been taken under state law to allow the City to condemn the properties if necessary. As such, staff has prepared a resolution of necessity to obtain the three legal lots. The attached *exhibit A* is the resolution of necessity and associated documents for this project action.

**Haystack Heights Water System Loop** – The city is attempting to secure a property easement on Tax Lot 333 in the Haystack Heights neighborhood that is critical to achieving the looping of our water infrastructure in this area. This is a city Masterplan project that is critical to replacing an aging water line, adding a fire hydrant, and improving the fire protection capabilities of this neighborhood as requested by the local Cannon Beach Rural Fire District. The city is unable to accomplish this project without securing a permanent and temporary construction easement. As such, staff has prepared a resolution of necessity to obtain the easements and to ensure that all proper steps have been taken under state law to allow the City to condemn the property interest if necessary. The attached *exhibit B* is the resolution and associated documents for this project and actions.

## RECOMMENDATION

Staff is seeking Council approval of Resolutions to move forward with both projects.

Suggested motions:

"I move to Adopt Resolution 23-26 a Resolution Declaring the Need to Acquire Certain Real Property for Drainage Project"

"I move to Adopt Resolution 23-27 a Resolution Declaring the Need to Acquire Certain Property For Water Utility Improvements for a Looped Water System"

**List of Attachments**

- A Resolution 23-26
- B Resolution 23-27

## BEFORE THE CITY OF CANNON BEACH

A RESOLUTION DECLARING THE NEED TO	)	RESOLUTION NO. 23-26
ACQUIRE CERTAIN REAL PROPERTY FOR	)	
DRAINAGE PROJECT	)	
	)	

**WHEREAS**, Section 33 of the Cannon Beach City Charter grants the City authority to acquire land for public purposes including through condemnation; and

**WHEREAS**, Oregon law, including but not limited to ORS 223.005, authorizes the City to appropriate real property within or without its corporate limits for any public or municipal use; and

**WHEREAS**, the Cannon Beach City Council deems it necessary and in the public interest to acquire certain real property located on the beach along Ocean Avenue approximately between W Washington Street and W Harrison Street, which real property is legally described in Exhibit A (Property) attached and incorporated by reference herein; and

**WHEREAS** the City needs to acquire the Property in fee simple to locate, construct, operate, and maintain a water drainage and stormwater system and associated utility improvements (Project); and

**WHEREAS**, the Project will be designed to, among other benefits, enhance and protect the City's water drainage and stormwater system; and

**WHEREAS**, the Cannon Beach City Council deems it necessary to construct the Project for the continued growth, health, safety, and general welfare of the community and to acquire the real property interests for right-of-way, utility, construction, storm and surface water treatment and detention, drainage, sidewalk, sanitary sewer, and other public purposes related to the Project.

NOW, THEREFORE, THE CITY OF CANNON BEACH RESOLVES AS FOLLOWS:

Section 1. The above recitals shall form an integral part of this resolution and shall have the same force and effect as if fully stated herein.

Section 2. The real property to be acquired is described in the attached Exhibit A (Property); and

Section 3. The Property is required and necessary to locate, construct, operate, and maintain the Project, which will enhance the public water drainage and stormwater system for the benefit of the public.

Section 4. The Project will be planned, designed, located, and constructed in a manner that will be most compatible with the greatest public benefit and the least private injury; and

Section 5. The Cannon Beach City Manager and the City Attorney or their designees are authorized to attempt to agree with the owners and other persons with interest in the real

property described in Exhibits A; as to the compensation to be paid for the acquisition of the Property. In the event that no satisfactory agreement can be reached, then the City Attorney or their designee are directed and authorized to commence and prosecute to final determination such proceedings as may be necessary to acquire the real property and interest therein, including condemnation proceedings, and that upon the filing of such proceeding, possession of the interest in real property may be taken immediately to the extent provided by law; and

Section 6. This resolution is effective immediately upon adoption.

Passed by the Common Council of the City of Cannon Beach this 12<sup>th</sup> day of December 2023, by the following roll call vote:

YEAS:  
NAYS:  
EXCUSED:

---

Barb Knop, Mayor

Attest:

---

Bruce St. Denis, City Manager

## **Exhibit A**

### **I**

All that portion adjacent to the Plat of Elk Creek Park, lying West of the centerline of Ocean Avenue to the high tide line of the Pacific Ocean as cut off on the North by the Westerly extension of the North line of ELK CREEK PARK and as cut off on the South by the Westerly Extension of the Southerly line of ELK CREEK PARK.

EXCEPTING any portion previously Deeded from Otto J. Kraemer to Elk Creek and Cannon Bach Land Company, recorded August 6, 1903, in Book 52, Page 253, records of Clatsop County, Oregon.

AND

### **II**

A tract of land lying in Government Lots 1 and 2, Section 30, Township 5 North, Range 10 West, Willamette Meridian, Clatsop County, Oregon, INCLUDING All that portion adjacent to the Plat of Elk Creek Park, lying West of the centerline of Ocean Avenue to the high water mark of the Pacific Ocean as cut off on the North by the Westerly extension of the North line of ELK CREEK PARK and as cut off on the South by the Westerly Extension of the Southerly line of ELK CREEK PARK.

## BEFORE THE CITY OF CANNON BEACH

A RESOLUTION DECLARING THE NEED TO	)	RESOLUTION NO. 23-27
ACQUIRE CERTAIN PROPERTY FOR WATER	)	
UTILITY IMPROVEMENTS FOR A LOOPED	)	
WATER SYSTEM	)	

WHEREAS, Section 33 of the Cannon Beach City Charter grants the City authority to acquire land for public purposes including through condemnation; and

WHEREAS, Oregon law, including but not limited to ORS 223.005, authorizes the City to appropriate real property within or without its corporate limits for any public or municipal use, and ORS 225.020 authorizes the City to use its condemnation power to acquire real property both within and outside its boundaries for water systems; and

WHEREAS, the Cannon Beach City Council deems it necessary and in the public interest to acquire permanent and temporary easements over certain real property located in the Haystack Heights, which easements are legally described in Exhibit A and depicted on Exhibit B (collectively, Easement), attached and incorporated by reference herein; and

WHEREAS, the City needs the Easement in order to locate, construct, operate, and maintain certain water system and associated utility improvements to complete a water loop system in the Haystack Heights subdivision (Project); the Project is part of a larger project which will include new isolation valves, a fire hydrant, and a water line replacement on E. Chinook and E. Coho streets to improve water pressure and fire protection capability; and

WHEREAS, the Project is also on the City's Water Master Plan as well as a part of the City's Capital Improvement plan; and

WHEREAS, the Project is designed to, among other benefits, enhance and protect the City's water system and to enhance fire protection capabilities for the neighborhood and to benefit the public; and

WHEREAS, the Cannon Beach City Council deems it necessary to construct the Project for the continued growth, health, safety, and general welfare of the community and to acquire the Easement property interests for right-of-way, utility, construction, storm and surface water treatment and detention, drainage, sanitary sewer, and other public purposes related to the Project.

NOW, THEREFORE, THE CITY OF CANNON BEACH RESOLVES AS FOLLOWS:

Section 1. The above recitals shall form an integral part of this resolution and shall have the same force and effect as if fully stated herein.

Section 2. The permanent and temporary construction easements to be acquired are legally described in the attached Exhibit A and depicted in the attached Exhibit B (collectively, Easement); and

Section 3. The Easement is required and necessary to locate, construct, operate, and maintain the Project, which will enhance the public water system for the benefit of the public.

Section 4. The Easement has been planned, designed, located, and will be constructed in a manner that will be most compatible with the greatest public benefit and the least private injury; and

Section 5. The Cannon Beach City Manager and the City Attorney or their designees are authorized to attempt to agree with the owners and other persons with interest in the real property described in Exhibits A and B as to the compensation to be paid for the acquisition of the Easement. In the event that no satisfactory agreement can be reached, then the City Attorney or their designee are directed and authorized to commence and prosecute to final determination such proceedings as may be necessary to acquire the real property and interest therein, including condemnation proceedings, and that upon the filing of such proceeding, possession of the interest in real property may be taken immediately to the extent provided by law; and

Section 6. This resolution is effective immediately upon adoption.

Passed by the Common Council of the City of Cannon Beach this 12<sup>th</sup> day of December 2023, by the following roll call vote:

YEAS:  
NAYS:  
EXCUSED:

---

Barb Knop, Mayor

Attest:

---

Bruce St. Denis, City Manager

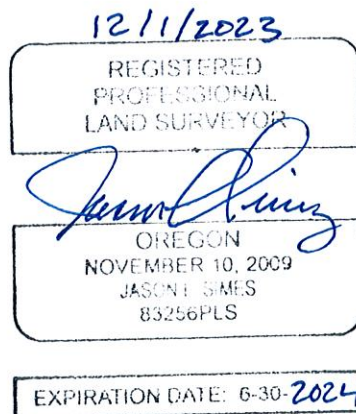
**EXHIBIT "A"**

November 30, 2023

**WATER EASEMENT:**

A 15-foot wide water easement in a portion of Lot 20, Block 3 of Haystack Heights Division Two (Book 11, Page 5) in the Southwest quarter of the Southwest quarter of Section 32, Township 5 North, Range 10 West of the Willamette Meridian, Clatsop County, Oregon, more particularly described as follows:

BEGINNING at the North corner of said Lot 20, thence South 53°26'06" West along the Northwestern line of Lot 20, a distance of 156.29 feet to the Highway 101 right-of-way; thence South 03°03'06" West along the Highway 101 right-of-way, a distance of 19.47 feet; thence North 53°26'06" East, parallel with the Northwestern line of Lot 20, a distance of 168.87 feet to the City right-of-way of W Chinook Ave & Deer Place; thence along said City right-of-way with a curve to the right having a central angle of 11°28'50", a radius of 75.00 feet, an arc length of 15.03 feet and whose long chord bears North 37°10'52" West, a distance of 15.00 feet to the POINT OF BEGINNING.







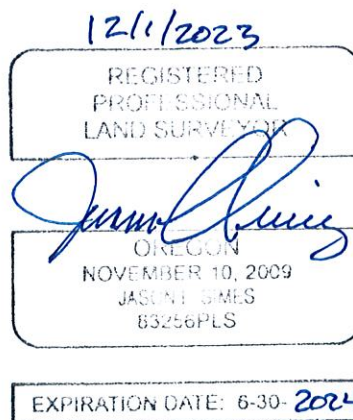
## EXHIBIT "A"

November 30, 2023

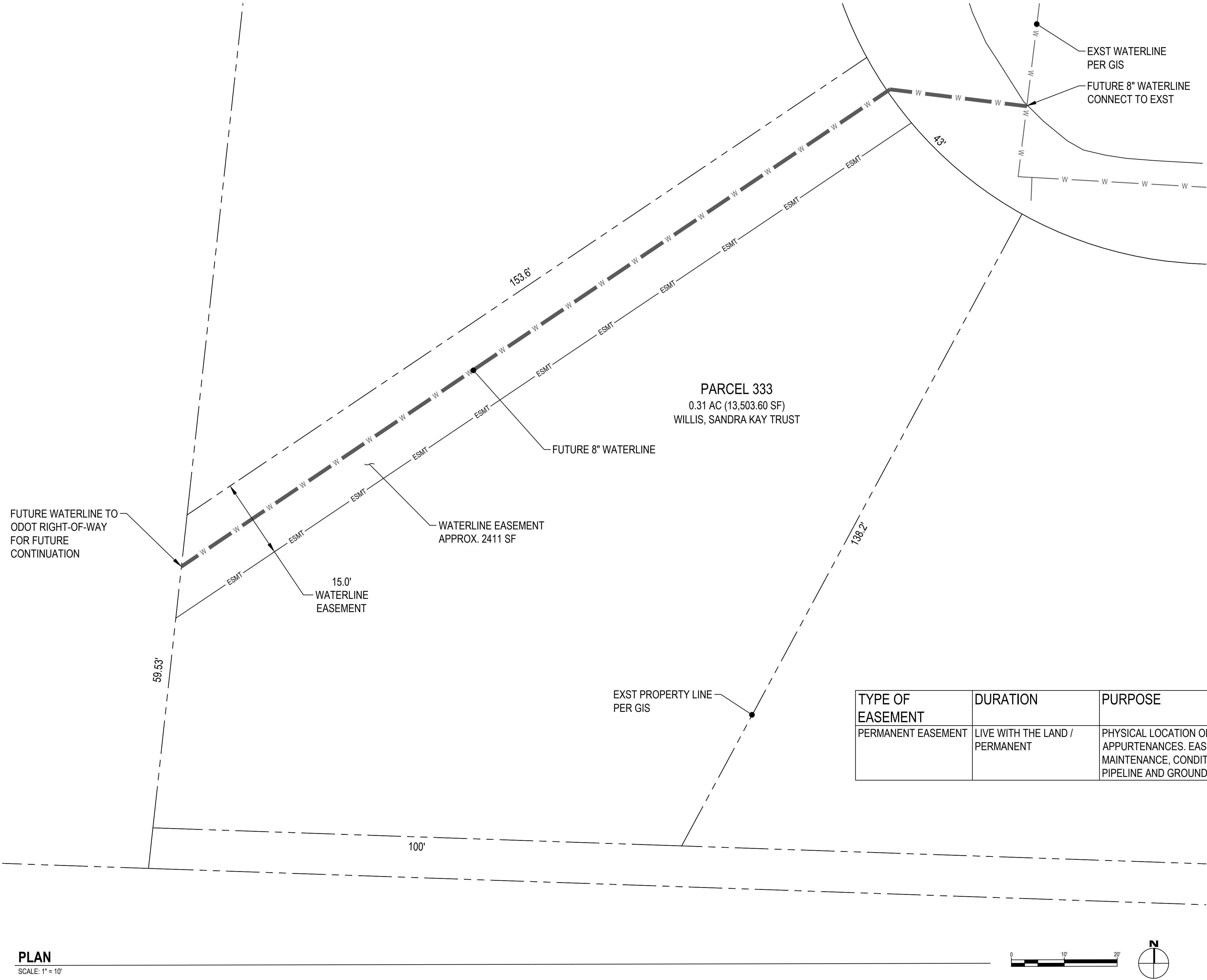
### CONSTRUCTION EASEMENT:

A portion of Lot 20, Block 3 of Haystack Heights Division Two (Book 11, Page 5) in the Southwest quarter of the Southwest quarter of Section 32, Township 5 North, Range 10 West of the Willamette Meridian, Clatsop County, Oregon, more particularly described as follows:

BEGINNING at the North corner of said Lot 20, thence South 53°26'06" West along the Northwestern line of Lot 20, a distance of 156.29 feet to the Highway 101 right-of-way; thence South 03°03'06" West along the Highway 101 right-of-way, a distance of 25.96 feet; thence North 53°26'06" East, parallel with the Northwestern line of Lot 20, a distance of 168.66 feet; thence with a curve to the left having a central angle of 18°05'09", a radius of 80.00 feet, an arc length of 25.25 feet and whose long chord bears South 55°10'43" East, a distance of 25.15 feet; thence North 26°09'57" East a distance of 5.00 feet to the City right-of-way of W Chinook Ave & Deer Place; thence along said City right-of-way with a curve to the right having a central angle of 32°48'31", a radius of 75.00 feet, an arc length of 42.95 feet and whose long chord bears North 47°50'42" West, a distance of 42.36 feet to the POINT OF BEGINNING.



PLOT DATE: 11/17/2023 9:09 AM - FILE: C:\Users\Thad\OneDrive - Windsor Engineers\OneDrive - Windsor Engineers\05 - Projects\23001.01 CB Haystack Heights\02\_Drawings\02\_Working\03\_Preliminary\Sheets\23001\_01-ESMT Exhibit.dwg



TYPE OF EASEMENT	DURATION	PURPOSE	AREA (SF)
PERMANENT EASEMENT	LIVE WITH THE LAND / PERMANENT	PHYSICAL LOCATION OF WATER DISTRIBUTION PIPELINE AND APPURTENANCES. EASEMENT MAY BE USED FOR OPERATIONS, MAINTENANCE, CONDITION ASSESSMENT, SURVEYING, AND REPAIR OF PIPELINE AND GROUND SURFACE	APPROX. 2411

PLAN  
SCALE: 1" = 10'



Know what's **below.**  
**Call** before you dig.  
CALL 2 BUSINESS DAYS BEFORE YOU DIG.  
CAUTION: UTILITY INFORMATION IS APPROXIMATE.  
VERIFY ALL UTILITIES PRIOR TO CONSTRUCTION.

Revisions:



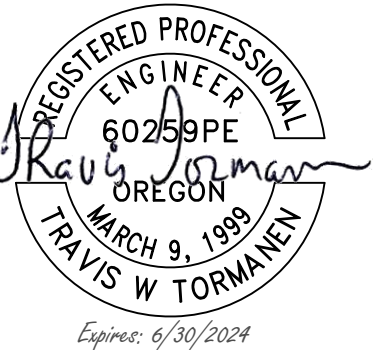

LINE IS 1" ON FULL  
SCALE DRAWING



**WINDSOR  
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Duluth + Minneapolis, MN  
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**HAYSTACK HEIGHTS- INTERCONNECT  
CANNON BEACH, OR**

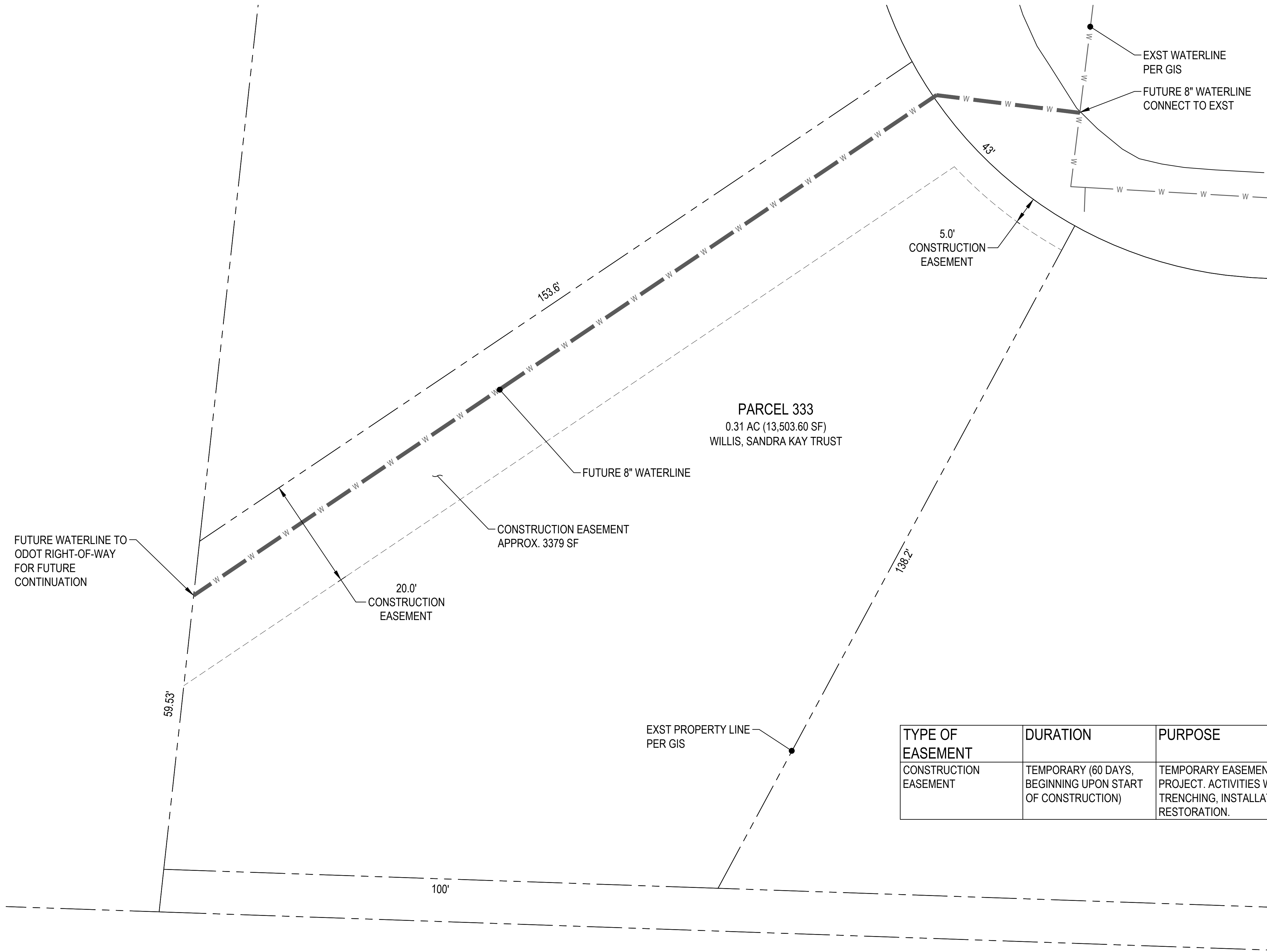
Project No: 23001.01  
Issue Date: 11/17/2023

Project Manager: EAS  
Drawn by: TAW  
Checked by: JED

**PERMANENT EASEMENT EXHIBIT**

**C100**

PLOT DATE: 11/17/2023 9:09 AM - FILE: C:\Users\Thad\OneDrive - Windsor Engineers\05 - Projects\23001.01 CB Haystack Heights\02\_Drawings\03\_Preliminary\03\_PreliminarySheets\23001\_01-ESNIT Exhibit.dwg



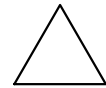
TYPE OF EASEMENT	DURATION	PURPOSE	AREA (SF)
CONSTRUCTION EASEMENT	TEMPORARY (60 DAYS, BEGINNING UPON START OF CONSTRUCTION)	TEMPORARY EASEMENT TO ALLOW FOR CONSTRUCTION OF WATER LINE PROJECT. ACTIVITIES WILL INCLUDE SURVEYING, EROSION CONTROL, TRENCHING, INSTALLATION, BACKFILLING, INSPECTION, TESTING, AND RESTORATION.	APPROX. 3379

PLAN  
SCALE: 1" = 10'



CALL 2 BUSINESS DAYS BEFORE YOU DIG.  
CAUTION UTILITY INFORMATION IS APPROXIMATE.  
VERIFY ALL UTILITIES PRIOR TO CONSTRUCTION.

Revisions:




LINE IS 1" ON FULL  
SCALE DRAWING



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Duluth + Minneapolis, MN  
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**HAYSTACK HEIGHTS- INTERCONNECT  
CANNON BEACH, OR**

Project No: 23001.01  
Issue Date: 11/17/2023

Project Manager EAS  
Drawn by TAW  
Checked by JED

**CONSTRUCTION EASEMENT EXHIBIT**

**C101**



## STAFF REPORT:

JAY ORLOFF, OF TOLOVANA ARCHITECTS, ON BEHALF OF OWNER PAUL WHITE, REQUEST FOR A TREE REMOVAL PERMIT TO REMOVE A 50 INCH SPRUCE TREE AS PART OF THE DEVELOPMENT. THIS WAS A CONDITION OF APPROVAL BY THE CITY COUNCIL FOR THE CONSTRUCTION OF AN ACCESSORY DWELLING UNIT (ADU) IN CONJUNCTION WITH A NEW SINGLE-FAMILY DWELLING ON E. TANANA AVENUE (TAXLOT00600, MAP51032BC).

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**Agenda Date:** December 12, 2023

**Prepared By:** Steve Sokolowski  
Community Development Director

## BACKGROUND

The proposed project was the construction of an accessory dwelling unit (ADU) in conjunction with a new single-family dwelling on an undeveloped parcel, Taxlot 600, on E. Tanana Ave. The applicant was proposing to construct an ADU on the second floor of a detached garage located behind the single-family dwelling. This proposal was brought before the Design Review Board as new dwellings that contain an accessory dwelling are subject to the design review requirements [CBMC 17.54.080(C)].

The subject property is an undeveloped 7,000 square foot parcel measuring 50 x 140 and zoned R1 Residential Moderate Density. Adjacent neighborhood uses are primarily residential. The proposed accessory dwelling would be located above a two-car garage behind the primary dwelling and would provide 576 square feet of living area. Additional parking would be provided by two 9 x 18-foot parking spaces in the driveway adjacent to the west side of the home that would be accessible from E. Tanana Avenue.

The City Council rendered a decision to approve, with conditions, the construction of the accessory dwelling unit (ADU) in conjunction with a new single-family dwelling on E. Tanana Avenue (TAXLOT00600, MAP51032BC), APP#23-06, at its October 3, 2023, regularly scheduled City Council meeting.

During the appeal hearing, the City Council has concerns that the landscape plan as submitted requires the removal of multiple Sitka Spruce trees of varying diameter to accommodate the proposed development. The Council wanted the applicant to see what can be done to save the existing tree located at the northeast corner of the property adjacent to the driveway access near the street, labelled as tree "S-1" on the site plan attached to this decision. The Council approved the appeal with the following condition:

*Prior to issuance of a building permit, if the applicant seeks to remove the tree labelled S-1 on the attached site plan, the tree removal application shall be reviewed by the City Council to determine whether removal of S-1 would be consistent with the requirements of Chapter 17.44 of the City Code.*



Per the condition above, the Council is now reviewing the tree removal permit for subject tree S-1 on the site plan which is a 50-inch Spruce tree located in the front yard between the proposed home to be constructed and Tanana Avenue.

The applicant stated they would like to pursue the removal of the 50" Sitka Spruce (S-1) that was discussed at our City Council appeal last month. The owner would like it removed as it is part of the nurse log that is the source of all the trees in the center of the lot which are to be removed. There is concern that there will be future unforeseen issues with the tree itself and/or its proximity to the structure. We will follow the recommendation of our Arborist to replant with a 2:1 ratio of new large conifer trees to include Redwood and medium deciduous trees.

At the November 14 City Council meeting, the Council questioned if City Arborist Jeff Gerhardt had reviewed this specific 50-inch Sitka Spruce tree. Staff informed the Council that in an August 9, 2023, letter the City arborist had reviewed the entire tree removal permit which included all six (6) of the trees proposed for removal from this property for the new home and garage/ADU development (this review included the 50-inch Sitka Spruce tree). The Council tabled this matter because they did not feel comfortable with the original City arborist report and stated before they would act on this tree removal request that they wanted the city arborist to review and provide information specifically on the 50-inch Sitka Spruce tree.

The specific items the Council want addressed for the 50-inch spruce tree labeled S-1 include:

- Appears S-1 canopy covers the entire front of this 50-foot-wide lot and the footprint of the home and driveway. How does the proposed development (house, garage, driveway) excavation work impact the tree?
- Is the root structure of S-1 connected to the other trees on the nurse log? How does their removal impact S-1?
- Can S-1 remain viable both short term and long term based on the excavation, development, and removal of the other trees?
- Comments from Joe Baldens March 28 letter and Austin Wienecke information regarding tree S-1.
- Any other information that would be pertinent regarding the development and its impact on S-1.....can the tree remain viable based on the approved development proposed for the site.

On November 25, 2023, Jeff Gerhardt provided a letter to City staff addressing the items above that stated the following concerning the potential removal of the 50-inch Sitka Spruce tree:

- Question 1: Appears S-1 canopy covers the entire front of this 50-foot-wide lot and the footprint of the home and driveway. How does the proposed development (house, garage, driveway) excavation work impact the tree?

Answer: The excavation work, as proposed, will negatively impact over 50% of the trees Critical Root Zone. Anchoring roots vital to the tree's stability will be severed or damaged to some degree. Soil compaction from machinery will decrease the ability for feeder roots to absorb water and nutrients. Root protection measures including a Tree Protection Zone fencing will be a necessity if tree retention is pursued.

- Question 2: Is the root structure O/S-I connected to the other trees on the nurse log? How does their removal impact S-1?

Answer: Yes, the root system of S-1 is entwined with the roots from adjacent trees. Removing the adjacent trees and subsequently removing the stumps will weaken the root structure of S-1. Minimizing root disturbance is crucial for success in safely preserving S-1. Soil probing can be performed to determine the layout of the root system.

- Question 3: Can S-1 remain viable both short term and long term based on the excavation, development, and removal of the other trees?

Answer: S-1 has a dense and healthy canopy and the ability to remain viable long term despite damage from development. This tree is a great candidate for "Wind-sail reduction" pruning to further aid in structural stability.

- Question 4: Comments from Joe Baldens March 28 letter and Austin Wienecke information regarding tree S-1.

Answer: Letter from Joe Balden does not include any reference to soil probing or other root mapping means. I recommend a more detailed inspection of the root system be acquired. Input from Austin Wienecke for replanting the site is commended, although preserving an established mature tree is preferable.

- Question 5: Any other information that would be pertinent regarding the development and its impact on S-1 can the tree remain viable based on the approved development proposed for the site.

Answer: Despite the challenges in safely retaining this tree, it is worth pursuing. I recommend an additional professional opinion be sought from Consulting Arborist, Todd Prager from Lake Oswego. He has worked on other projects in Cannon Beach and can better exact the feasibility and measures for safely retaining S-1.

## **APPLICABLE CRITERIA**

### **17.70 – Tree Removal and Protection**

Section 17.70.020(D) which states:

#### *17.70.020 Permit Issuance – Criteria*

*The city shall issue a tree removal permit if the applicant demonstrates that one of the following criteria is met:*

- D. Removal of a tree(s) in order to construct a structure of development approved or allowed pursuant to the Cannon Beach Municipal Code, including required vehicular and utility access, subject to the requirements in Section 17.70.030(B) and (Q).*

The requirements from 17.70.30 are below:

#### *17.70.030 Additional Requirements*

- B. For actions which require the issuance of a building permit, tree removal shall occur only after a building permit has been issued for the structure requiring the removal of the tree(s).*

- Q. *An application for a tree removal permit under Section 17.70.020(D), submitted under the direction of a certified tree arborist for removal of a tree(s) to construct a structure or development, must include the following:*
1. *A site plan showing the location of the tree(s) proposed for removal, the location of the proposed structure of development, and the location of any other trees six-inch DBH or larger on the subject property or off site (in the adjoining right-of-way or on adjacent property) whose root structure might be impacted by excavation associated with the proposed structure, or by soil compaction caused by vehicular traffic or storage of materials.*
  2. *Measures to be taken to avoid damaging trees not proposed for removal, both on the subject property and off site (in the adjoining right-of-way or on adjacent property).*
  3. *The area where a tree's root structure might be impacted by excavation, or where soil compaction caused by vehicular traffic or storage of materials might affect a tree's health, shall be known as a tree protection zone (TPZ).*
  4. *Prior to construction, the TPZ shall be delineated by hi-visibility fencing a minimum of three and one-half feet tall which shall be retained in place until completion of construction. Vehicular traffic, excavation and storage of materials shall be prohibited within the TPZ.*

## **DECISION AND CONDITIONS**

**Motion:** Having considered the evidence in the record, based on a motion by Councilor (Name) seconded by Councilor (Name), the Cannon Beach City Council moved to (approve, deny, or modify in whole or part) the tree removal permit for the 50" Sitka Spruce (S-1) at Tax Lot 00600, with regards to the Paul White Accessory Dwelling Unit appeal, App#23-06, as discussed.

## **ATTACHMENTS (New Since November 14, 2023 Staff Report)**

Attachment K: Steve Sokolowski Email to Jeff Gerhardt

Attachment L: Jeff Gerhardt November 25, 2023, Review Letter

**Robert St. Clair**

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**From:** Steve Sokolowski  
**Sent:** Wednesday, November 15, 2023 2:35 PM  
**To:** jeffgerhardt@treescapenorthwest.com  
**Subject:** Tree Removal Permit - E. Tanana Street Lot  
**Attachments:** Staff Report - tree removal - 11-14-23.pdf

Jeff:

Hey nice to meet you again yesterday, appreciated your feedback on the tree ordinance proposal.

We need you to again review the Tanana Avenue project.

As you are aware, in a letter dated August 9, 2023, you provided the Cannon Beach Planning Department a review for a tree removal permit on E. Tanana Street Lot.

Brief description of project and property:

- The proposed project was the construction of an accessory dwelling unit (ADU) in conjunction with a new single-family dwelling on an undeveloped parcel, Taxlot 600, on E. Tanana Ave. The applicant was proposing to construct an ADU on the second floor of a detached garage located behind the single-family dwelling.
- The subject property is an undeveloped 7,000 square foot parcel measuring 50 x 140 and zoned R1 Residential Moderate Density. Adjacent neighborhood uses are primarily residential. The proposed accessory dwelling would be located above a two-car garage behind the primary dwelling and would provide 576 square feet of living area. Additional parking would be provided by two 9 x 18-foot parking spaces in the driveway adjacent to the west side of the home that would be accessible from E. Tanana Avenue.

This proposal was denied by the Design Review Board and was appealed to the City Council. The Council reversed the decision with a condition of approval that stated:

*Prior to issuance of a building permit, if the applicant seeks to remove the tree labelled S-1 on the attached site plan, the tree removal application shall be reviewed by the City Council to determine whether removal of S-1 would be consistent with the requirements of Chapter 17.44 of the City Code.*

The applicant and this matter came before the Council last night (November 14, 2023) to discuss the project and the removal of this 50-inch Spruce tree located in the front yard between the proposed home to be constructed and Tanana Avenue.

The applicant states they would like to pursue the removal of the 50" Sitka Spruce (S-1) that was discussed at our City Council appeal last month. The owner would like it removed as it is part of the nurse log that is source of all the trees in the center of the lot of which are to be removed. There is concern that there will be future unforeseen issues with the tree itself and/or its proximity to the structure. We will follow the recommendation of our Arborist to replant with a 2:1 ratio of new large conifer trees to include Redwood and medium deciduous trees.



### Attachment K - Sokolowski Email to Gerhardt

The Council tabled this matter because they wanted you to provide them with information specifically related only to this 50-inch Spruce labeled S-1 on the site plan before taking formal action on this matter. The specific items the Council want addressed for the 50-inch spruce tree labeled S-1 include:

- Appears S-1 canopy covers the entire front of this 50-foot-wide lot and the footprint of the home and driveway. How does the proposed development (house, garage, driveway) excavation work impact the tree?
- Is the root structure of S-1 connected to the other trees on the nurse log? How does their removal impact S-1?
- Can S-1 remain viable both short term and long term based on the excavation, development, and removal of the other trees?
- Comments from Joe Baldens March 28 letter and Austin Wienecke information regarding tree S-1.
- Any other information that would be pertinent regarding the development and its impact on S-1.....can the tree remain viable based on the approved development proposed for the site.

I will be including the packet the Council received last night that includes the following attachments:

### ATTACHMENTS

Attachment A: APP 23-06 Order and Findings

Attachment B: DRB Exhibit A-3 Topographic Survey

Attachment C: DRB Exhibit A-4 Sheet AS1.0 Site Plan

Attachment D: DRB Exhibit A-7 Sheet A2.1 Elevations

Attachment E: DRB Exhibit A-9 Sheet LS1.0 Landscape Plan

Attachment F: DRB Exhibit A-10 Tree Removal Application

Attachment G: DRB Exhibit C-2 Arborist Review

Attachment H: A. Wieneke Email, November 3, 2023

Attachment I: Tree Site Plan

Attachment J: Redwood Photograph

I would very much appreciate it if you could let me know how quickly you might be able to provide this information so I can get this scheduled for review again by council at one of their upcoming meetings.

Feel free to contact me with any questions.

Sincerely,

Steve Sokolowski

**Steve Sokolowski**

*Community Development Director*

**City of Cannon Beach**

p: 503.436.8040 | tty: 503.436.8097 | f: 503.436.2050

## Attachment K - Sokolowski Email to Gerhardt



a: 163 E. Gower St. | PO Box 368 | Cannon Beach, OR 97110

w: [www.ci.cannon-beach.or.us](http://www.ci.cannon-beach.or.us) | e: [sokolowski@ci.cannon-beach.or.us](mailto:sokolowski@ci.cannon-beach.or.us)

DISCLOSURE NOTICE: Messages to and from this email address may be subject to Oregon Public Records Law.



**Treescaples Northwest**  
Jeff Gerhardt, Consulting Arborist  
ISA Certified Arborist #PN-5541A



**City of Cannon Beach, Planning Department**

Attn: Steve Sokolowski

[sokolowski@ci.cannon-beach.or.us](mailto:sokolowski@ci.cannon-beach.or.us)

November 25, 2023

### **Tree Inspection - E Tanana St Lot**

Per your request, I have made an additional review of the Tanana Avenue project. This is secondary to my original submission dated August 9th, 2023. This report is solely to address questions that pertain to the 50" Sitka spruce tree labeled S-1 (photograph attached).

- *Question 1) Appears S-1 canopy covers the entire front of this 50-foot-wide lot and the footprint of the home and driveway. How does the proposed development (house, garage, driveway) excavation work impact the tree?* Answer 1) The excavation work, as proposed, will negatively impact over 50% of the tree's Critical Root Zone. Anchoring roots vital to the tree's stability will be severed or damaged to some degree. Soil compaction from machinery will decrease the ability for feeder roots to absorb water and nutrients. Root protection measures including a Tree Protection Zone fencing will be a necessity if tree retention is pursued.
- *Q 2) Is the root structure of S-1 connected to the other trees on the nurse log? How does their removal impact S-1?* A 2) Yes, the root system of S-1 is entwined with the roots from adjacent trees. Removing the adjacent trees and subsequently removing the stumps will weaken the root structure of S-1. Minimizing root disturbance is crucial for success in safely preserving S-1. Soil probing can be performed to determine the layout of the root system.
- *Q 3) Can S-1 remain viable both short term and long term based on the excavation, development, and removal of the other trees?* A 3) S-1 has a dense and healthy canopy and the ability to remain viable long term despite damage from development. This tree is a great candidate for "Wind-sail reduction" pruning to further aid in structural stability.

**Treescaples Northwest**  
P.O. Box 52  
Manzanita, OR 97130

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Cell: 503-453-5571  
[www.treescaplesnorthwest.com](http://www.treescaplesnorthwest.com)

- *Q 4) Comments from Joe Baldens March 28 letter and Austin Wienecke information regarding tree S-1. A 4) Letter from Joe Balden does not include any reference to soil probing or other root mapping means. I recommend a more detailed inspection of the root system be acquired. Input from Austin Wienecke for replanting the site is commended, although preserving an established mature tree is preferable.*
- *Q 5) Any other information that would be pertinent regarding the development and its impact on S-1.....can the tree remain viable based on the approved development proposed for the site. A 5) Despite the challenges in safely retaining this tree, it is worth pursuing. I recommend an additional professional opinion be sought from Consulting Arborist, Todd Prager from Lake Oswego. He has worked on other projects in Cannon Beach and can better exact the feasibility and measures for safely retaining S-1.*

Thank you for your questions,



Jeff Gerhardt

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Sitka spruce (S-1)



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# CANNON BEACH CITY COUNCIL

## STAFF REPORT

CIDA INC., ON BEHALF OF THE CITY OF CANNON BEACH, APPEAL OF A DESIGN REVIEW BOARD DECISION TO DENY THE REJUVENATION OF THE FORMER CANNON BEACH ELEMENTARY SCHOOL BUILDINGS AND NECUS PARK SITE FOR USE BY CANNON BEACH VISITORS AND RESIDENTS, BUSINESSES, AND THE CLATSOP NEHALEM CONFEDERATED TRIBE FOR A VARIETY OF COMMUNITY INTERESTES INCLUDING USE AS A TOURISM ORIENTED FACILITY LOCATED AT 268 BEAVER ST (TAX LOTS 4000, 4100, 4101, 4200, 4301, AND 5700, MAP 51020BC). APP 23-07

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**Agenda Date:** December 12, 2023

**Prepared by:** Steve Sokolowski  
Community Development Director

## BACKGROUND

The City of Cannon Beach Design Review Board (DRB) rendered a decision to deny the rejuvenation of the former cannon beach elementary school buildings into a tourism-oriented facility located at 268 beaver st (Tax Lots 4000, 4100, 4101, 4200, 4301, and 5700, Map 51020BC), DRB 23-09, at its October 19, 2023, regularly scheduled Design Review Board meeting.

Dustin Johnson of CIDA, Inc., on the behalf of owner City of Cannon Beach, requested a review of the decision, in an application received October 27, 2023, within the 14-day appeal period, from the date the final order was signed for DRB #23-09 on August 22, 2023.

The City Council held a Scope of Review meeting as a non-public hearing item on November 7, 2023, and determined that the appeal (APP 23-07) will be heard on the record of the decision made by the Design Review Board, according to Section 17.88.160 of the Cannon Beach Municipal Code, according to Section 17.88.160 of the Cannon Beach Municipal Code.

The Cannon Beach City Council held a hearing on December 5, 2023, and rendered a decision to approve with conditions the rejuvenation of the former Cannon Beach elementary school buildings into a tourism-oriented facility located at 268 Beaver Street. The council requested that staff draft finding of fact to support the decision to approve the project.

## RECOMMENDATION

Staff recommends the findings be adopted.

Suggested Motion

“I move to approve the findings of fact and conclusion of law for the Appeal of DRB 23-19”

## List of Attachments

A. Findings of Fact and Conclusion of Law



# CANNON BEACH CITY COUNCIL

## FINDINGS OF FACT AND CONCLUSIONS OF LAW – APP# 23-07

CIDA INC., ON BEHALF OF THE CITY OF CANNON BEACH, APPEAL OF A DESIGN REVIEW BOARD DECISION TO DENY THE REJUVENATION OF THE FORMER CANNON BEACH ELEMENTARY SCHOOL BUILDINGS AND NECUS PARK SITE FOR USE BY CANNON BEACH VISITORS AND RESIDENTS, BUSINESSES, AND THE CLATSOP NEHALEM CONFEDERATED TRIBE FOR A VARIETY OF COMMUNITY INTERESTES INCLUDING USE AS A TOURISM ORIENTED FACILITY LOCATED AT 268 BEAVER ST (TAX LOTS 4000, 4100, 4101, 4200, 4301, AND 5700, MAP 51020BC).

**Agenda Date:** December 12, 2023

**Prepared by:** Steve Sokolowski,  
Community Development Director

### SUMMARY & BACKGROUND

The City of Cannon Beach Design Review Board (DRB) rendered a decision to deny the rejuvenation of the former Cannon Beach Elementary school buildings into a tourism-oriented facility located at 268 Beaver Street (Tax Lots 4000, 4100, 4101, 4200, 4301, and 5700, Map 51020BC), DRB 23-09, at its October 19, 2023, regularly scheduled Design Review Board meeting.

Dustin Johnson of CIDA, Inc., on the behalf of owner City of Cannon Beach, requested a review of the decision, in an application received October 27, 2023, within the 14-day appeal period, from the date the final order was signed for DRB #23-09 on August 22, 2023.

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The City Council rendered a decision to approve, with conditions, the rejuvenation of the former Cannon Beach elementary school buildings into a tourism-oriented facility located at 268 Beaver Street (Tax Lots 4000, 4100, 4101, 4200, 4301, and 5700, Map 51020BC), APP#23-07, at its December 5, 2023, regularly scheduled City Council meeting.

### APPLICABLE CRITERIA

Approval criteria are in the Design Review Standards (17.44) sections of the Municipal Code: These are excerpted below.

#### 17.44.080 Site Design Evaluation Criteria

The City Council finds that the site plan meets the applicable evaluation criteria.

- A. *The arrangement of all functions, uses, and improvements has been designed so as to reflect and harmonize with the natural characteristics and limitations of the site and adjacent sites.*



**Finding:**

The Cannon Beach Elementary Rejuvenation Project is an adaptive re-use project aimed at reactivating the former Cannon Beach Elementary School and Ne' Cus Park site for use by Cannon Beach visitors, residents, and local businesses as a cultural and ecological interpretive center capable of hosting a variety of tourism-related events and public recreation.

The only alteration proposed with respect to building footprint is the enclosure of the open area currently separating the classroom and the gymnasium. Enclosing this area so that it is coterminous with the pre-existing front facades of either building required a variance to reduce the front setback to the same degree as the existing development. The encroachment into the front yard resulting from this enclosure has no effect on the "natural characteristics" of the site and is, in fact, reflective of the "limitations" imposed by pre-existing development. The Council acknowledges that coupled with the road vacation the structure will maintain a wider front setback from Beaver Street than currently exists.

*B. In terms of setback from the street or sidewalk, the design creates a visually interesting and compatible relationship between the proposed structures and/or adjacent structures.*

**Finding:**

The former elementary school building is a pre-existing non-conforming structure which is built out to the property's southern boundary line. Planned pedestrian improvements include new and wider sidewalks along the north side of Beaver Street and an entry pavilion that will be located along the front of the gym building and a planned addition that will connect the gym to the classroom building. A change in the setback requirements will also increase the amount of space between the building's entrance and sidewalks and vehicle traffic on Beaver Street.

The vacated area will provide a location where off-street parking requirements can be met without necessitating significant alterations to the site plan or using space north of the structures to provide parking. In January 2023 the Commission approved an off-street parking variance (V#23-01) which reduced the number of required off-street parking stalls from 31 to 7. During that public hearing the Commission heard the applicant's intention to place angled parking along the Beaver St. in conjunction with modification to that street's right-of-way. The applicant's plan shows 7 angled parking spaces adjacent to Beaver Street with two (2) of those spaces being ADA accessible.

The southern property line will be adjusted 20'-0" further to the south to bring the property further into compliance with current setback requirements, to encompass the proposed off-street parking and to accommodate a safe pedestrian connection from the SE Entry Plaza to the facility's main entrance. Additionally, the project has previously received a parking variance that reduces the minimum required off-street parking to 7 stalls, two of which are proposed to be ADA accessible.

The purpose of the setback reduction was to accommodate planned pedestrian improvements and amenities for the former elementary school's adaptive reuse project. The vacation intended to remedy issues relating to pedestrian access and provide a location for off-street parking to be provided at the property.

The open space between the buildings and Ecola Creek will be improved with landscaping that will enhance its value. An improved walking trail along the northern edge of the property will connect to the adjacent trail system that runs along the south shore of Ecola Creek.

*C. The design incorporates existing features such as streams, rocks, slopes, vegetation (i.e., making use of a small stream rather than placing it in a culvert).*



**Finding:**

Minimal grading of the site is anticipated, in large part, to preserve archaeological artifacts and history of the site. The grading plan details new and existing stormwater features including surface drainage direction which is largely as it currently exists.

*D. If the project is unusually large, or if it is located so as to become part of an introduction/transition to the city or to a particular district or to the beach, the design acknowledges the special impact the project would have on the entire community by addressing these design criteria in an exemplary, standard-setting manner.*

**Finding:**

The Cannon Beach Elementary Rejuvenation Project is an adaptive re-use project aimed at reactivating the former Cannon Beach Elementary School and Ne'Cus Park site for use by Cannon Beach visitors, residents, and local businesses as a cultural and ecological interpretive center capable of hosting a variety of tourism-related events and public recreation. The proposed building and site improvements acknowledge the fact that this facility will be what you see as you enter the City of Cannon Beach. As such, the facility and ground are well designed and welcoming. The Council finds that this design is exemplary, given the project parameters to retain the existing gym and classroom buildings, and that it will serve as a welcoming gateway into the city.

The materials for this project are meant to complement the City of Cannon Beach's existing design vernacular by using natural cedar siding in a variety of product types. There are many forms of cedar siding proposed to create architectural interest with various textures and natural color variations.

The second roofing material is envisioned to be a standing seam metal roof which is proposed at the Gym Building. We recognize that metal standing seam roofing is limited to only a few existing buildings in Cannon Beach, however its unique properties make it an optimal selection for this structure, including its ability to conform to the curve of the barrel vault, a significantly longer lifespan than composite or cedar shingles, and a much needed appearance of 'permanence' for a structure that has existed in disrepair for many years and that acts as a landmark structure for people entering Cannon Beach from the Fir Street Bridge.

*E. Where appropriate, the design relates or integrates the proposed landscaping/open space to the adjoining landscaping/open space in order to create a pedestrian pathway and/or open system that connects several properties.*

**Finding:**

The improvements to the site provide much easier and more accessible visual and physical access to the facility and property.

The southern property line will be adjusted 20'-0" further to the south to bring the property further into compliance with current setback requirements, to encompass the proposed off-street parking and to accommodate a safe pedestrian connection from the SE Entry Plaza to the facility's main entrance.

Existing pathways and sidewalks that provide pedestrian access in and around the site are to be enhanced and will also include additional handicap accessibility. In addition, the new landscaping and site improvements will offer individuals many more opportunities to access the facility and grounds.

*F. The arrangement of the improvements on the site do not unreasonably degrade the scenic values of the surrounding area.*

**Finding:**

The project will both enhance the scenic values of the site and surrounding area by vastly improving the design of the building and the improvement to the grounds compared to what the facility looks like today.

*G. The improvements on the site enhance and/or do not deny solar access, light or air within the site or to adjacent sites or structures.*

**Finding:**

The improvements to the building and site will not deny solar access, light or air within the site or to adjacent sites or structures.

*H. Where appropriate, the design includes a parking and circulation system that encourages a pedestrian rather than vehicular orientation, including a separate service area for delivery of goods.*

**Finding:**

The setback reduction and reconfigured Beaver Street vastly improves the safety to and from the front entrance to the site and encourages a pedestrian rather than vehicular orientation.

The Thunderbird Garden, the Story Circle and the courtyard all encourage and vastly improve pedestrian access to the facility and grounds.

The City lawfully obtained approval to reduce the number of off-street spaces under the City's code. During the Planning Commission's review to adjust the parking standards, that body concluded that the provision of 7 off-street spaces is more than the number of spaces that exist today and that a publicly accessible parking at the City owned park directly across Fir Street and the trail system provides pedestrian access to downtown parking lots will mitigate for any on-street shortfall. There is a turnout at the entrance to accommodate deliveries and drop-offs as required by this standard.

*I. The arrangement of the improvements on the site does not unreasonably block or greatly degrade scenic vistas enjoyed from neighboring (especially public) sites.*

**Finding:**

The improvements to the building and site do not unreasonably block or greatly degrade scenic vistas enjoyed from neighboring (especially public) sites.

*J. The various functions and elements of the site design have been integrated into a unified whole, except in those cases where separation is appropriate. The overall design is visually harmonious when viewed either from within the site or from outside the site.*

**Finding:**

The goal of the project is to unify the various functions and elements of the site design, so people can enjoy the programming occurring inside the venue while at the same time being able to enjoy enhancements to the

outdoor areas. The improved facility and grounds will continue to educate people about the history, the culture, and the environment of Cannon Beach.

*K. The design gives attention to the placement of storage or mechanical equipment so as to screen it from view.*

**Finding:**

The accessory storage room will remain and see some renovations with it. It will have new T&G siding and a new standing seam roof. The reason for the standing seam roof on the accessory storage room is because it slopes down to Fir Street and will be visible at the pedestrian level. This is proposed so the storage room blends in with the rest of the improvements to the building.

*L. If the project is adjacent to, or visible from, US Highway 101, the design minimizes its visual impact on the scenic character of Highway 101.*

**Finding:**

The improvements to the facility and grounds positively impact the scenic character of the city when viewed from HWY 101.

*M. The arrangement of functions, uses and improvements on the site have been designed to provide access to and within the site for individuals with disabilities.*

**Finding:**

The southern property line will be adjusted 20'-0" further to the south to bring the property further into compliance with current setback requirements, to encompass the proposed off-street parking and to accommodate a safe pedestrian connection from the SE Entry Plaza to the facility's main entrance.

Existing pathways and sidewalks that provide pedestrian access in and around the site are to be enhanced and will also include additional handicap accessibility. In addition, the new landscaping and site improvements will offer all individuals many more opportunities to access the facility and grounds.

Around the Story Circle, a timber structure is proposed close to the beach estuary. It can be used for tribal and non-tribal events, particularly those related to salmon events. The path from the courtyard to the structure will be paved to provide safe ADA access rather than the crushed rock paving provided elsewhere allowing all to enjoy the path as well as the events and activities to take place at the Story Circle.

The improvements to the front of the building, as well as the improvements to the site enhance access to and within the site for individuals with disabilities. The building and grounds have been improved so all individuals can enjoy the property.

#### **17.44.090 Architectural Design Evaluation Criteria**

*A. The design avoids either monotonous similarity or excessive dissimilarity with existing structures, or structures for which a permit has been issued, in its section of town (i.e., downtown, midtown, etc.). If the development includes multiple structures, the design avoids either monotonous similarity or excessive dissimilarity between the component structures.*

**Finding:**

It was important to create a cohesive aesthetic through the project, despite three (3) very differing existing buildings. The proposed design creates a cohesive aesthetic through the project, despite very different existing buildings in terms of design, materials, and colors.

Criteria A is further addressed in the findings for criteria D, E, F, G below.

*B. The size, shape and scale of the structure(s) are architecturally compatible with the site and with the surrounding neighborhood. The structure is sufficiently modest in scale to enhance the village character of the community.*

**Finding:**

The facilities have been located at this site for decades and unfortunately have become tired and weathered over time. The improvements to the buildings and grounds enhance the village character of the community and are architecturally compatible with the site and surrounding neighborhood in terms of design, materials, colors, etc.

*C. The proposed materials and colors are compatible with the character and coastal setting of the city.*

**Finding:**

The improvements to the buildings and grounds enhance the village character of the community and are architecturally compatible with the site and surrounding neighborhood in terms of design, materials, colors, etc.

The materials for this project are meant to complement the City of Cannon Beach's existing design vernacular by using natural cedar siding in a variety of product types. There are many forms of cedar siding proposed to create architectural interest with various textures and natural color variations. The different forms of siding include vertical T&G plank siding, cedar shakes, and board and batten siding. All of these cedar sidings will retain their natural color and texture with the exception of where an accent paint is depicted at the Heritage Lobby and various window trims.

There are two types of roofing materials for the project; The first is a white TPO for low-slope roof surfaces not exposed to view and to match the existing classroom roofing material. This material helps to create a 'cool roof' and is envisioned on the roofs of the Classroom Building, Heritage Lobby, and covered walkways. The second roofing material is envisioned to be a standing seam metal roof which is proposed at the Gym Building. We recognize that metal standing seam roofing is limited to only a few existing buildings in Cannon Beach, however its unique properties make it an optimal selection for this structure, including its ability to conform to the curve of the barrel vault, a significantly longer lifespan than composite or cedar shingles, and a much needed appearance of 'permanence' for a structure that has existing in disrepair for many years and that acts as a landmark structure for people entering Cannon Beach from the Fir Street Bridge.

*D. The design avoids monotony and provides visual interest and charm by giving sufficient attention to architectural details and to such design elements as texture, pattern and color.*

*E. If the project includes a large structure or structures, such as a large motel or condominium, the design avoids a monolithic expanse of frontages and rooflines and diminishes the massing of the buildings by breaking up building sections, or by the use of such elements as variable planes, projections, bays, dormers, setbacks, or changes in the roofline.*

*F. If the project is unusually large, or if it is likely to become a village landmark, or if it is located so as to become part of an introduction/ transition to the city or to a particular district or to the beach, the design acknowledges the special impact the project would have on the entire community by addressing the design criteria in an exemplary, standard-setting fashion.*

### **Finding:**

It was important to create a cohesive aesthetic through the project, despite three (3) very differing existing buildings consistent with the reuse parameters established within the project scope.

The east elevation shows the gym with the proposed standing seam metal roof. Standing seam was chosen because of climate conditions the site resides in. This roofing solution allows for more durability, increasing its longevity as opposed to typical single roofing solutions. Along the perimeter of the gym is a 2-foot board-form concrete stem wall. While concrete may not be a natural building material, it is useful for dealing under harsh weather conditions. This in turn helps increase the longevity of the natural wood siding used throughout the exterior. Further, this concrete base will help to ground the building and add variation to the overall elevation. The east elevation showcases the mural wall which will display local artwork which is proposed to be rotated annually or bi-annually. Again, this mural will help to break up the monotony of the overall mass. Furthermore, past the mural wall and plaza, the accessory storage room will remain and will see some renovations. It will have new T&G siding and a new standing seam roof. The reason for the standing seam roof on the accessory storage room is because it slopes down to Fir Street and will be visible at the pedestrian level. This elevation also shows the canopy leading visitors from the plaza to the main entryway.

The north elevation includes a newly renovated north facade of the gym, classrooms, and new addition. The gym will have a recessed entry with large windows and divided lites to let in as much light as possible and will have new cedar shingles with a natural finish to evenly weather as time passes. The new addition will have natural cedar board and batten siding and a similar window aesthetic. Looking at its roof, note that the addition is divided with a step-up roof. This is to allow for clerestory windows to run on both east and west facades, bringing in more light. Both the new addition and gym will have wooden frames bordering the window and door openings. The classrooms will also have cedar shingles, and the same framing along its windows and doors. This elevation also details the height of the canopy surrounding the north courtyard supported by round wooden columns and beams.

The west elevation shows the same material solution; however, the west side of the gym will have vertical T&G siding with framed punch outs which will be used to exhibit cultural artwork. In this elevation, the clerestory windows are shown to be running along the slope of the roof. The slope of the new roof will have the same pitch as the existing classrooms for a cohesive aesthetic which further ties the two spaces together.

The south elevation shows the new facade of the classrooms. Looking at the existing classrooms, it will have natural cedar shingle siding on the south facade as well a similar window and door strategy seen on the north facade. The canopy can be seen reaching the SE plaza and moving to the entryway of the main entry. The new addition will have the same standing seam roof seen on the gym. Circling back to the mural wall on the eastside, it's also proposed that the wall will wrap around the corner of the gym and be part of the south facade to which it terminates to a wooden T&G wall.

The courtyard rendering showcases the threshold between the lobby and the outside. The beams of the canopy extend past the columns to match the beams of the New Addition. The columns are also used to frame the entry from the north side. The addition is seen with a stepped-up roof to make space for the

clerestory windows. The project's goal is to maximize the amount of natural light coming into the space. To do so, the north side of the New Addition has multiple window systems starting from the grade and reaching near the underside of the roof. The end result is to have the appearance of 3 vertical systems underneath each roof. To retain the iconic shape of the gym, the addition attaches to the gym in such a way that it looks like it's being cut into. The interior space is designed to take this transition into account and makes sure the lobby space is still a usable and comfortable space to reside in.

*G. The height of the structure(s) is architecturally compatible with the site and the surrounding neighborhood. The height of the structures contributes to the village scale.*

*H. The height of the structure(s) is such that it does not unreasonably destroy or degrade the scenic values of the surrounding area.*

*I. The height of the structure(s) is such that it does not unreasonably block or greatly degrade the views of scenic vistas as seen from neighboring sites.*

*J. The height of the structure(s) is such that it does not unreasonably deny solar access, light or air to an adjacent structure, on or off the site.*

### **Finding:**

It was important to create a cohesive aesthetic through the project, despite three (3) very differing existing buildings including their heights.

Structure 1: Referred to as the 'Classroom Building' is an approximately 4,520 square foot wood frame structure with slab-on-grade foundation built in 1950. The building currently consists of classrooms, administrative offices and ancillary spaces including a covered walkway on the north side of the building.

Structure 2: Referred to as the 'Gym Building' is an approximately 7,034 square foot wood framed barrel vault structure with slab-on-grade foundation containing an open vaulted gym space and a 964 square foot classroom mezzanine with cafeteria and ancillary spaces below. The building also contains a 415 square foot addition at the northeast corner formerly housing the school's kitchen.

While this project is considered primarily an adaptive re-use project it does feature deconstruction of the east end of the Classroom Building reducing its footprint to 2,940sqft. However, the new addition will be used to infill the gap between the Classroom Building and Gym Building to create an open and welcoming Heritage Lobby of approximately 2,170 square feet that will serve as the main access to the site.

The gym has existed at this height for over 50 years. It is historically significant to the community and project as it served as the gymnasium for the elementary school. Because the pre-existing gym is so highly recognizable as the entry to the City, the decision was made to do what can be done to improve the existing condition and have it contribute to the significance of the project in its' reuse instead of removing it from the project. The Council understands that design review considers only that development which is "new" or proposed to be changed as a result of the proposal. Here the only change with respect to the overall gymnasium roof height will increase only as necessary to add the standing seam roof with insulation and therefore any increase in height will be de minimis. The Council concludes that this de minimis height increase, when coupled with the mural and material changes will be more compatible with the surrounding neighborhood and will complement the surrounding environment rather than detract from it. These changes will have no impact on neighboring views, light, or solar access.

*K. The design sufficiently addresses the relationship of the structure(s) to the sidewalk and to pedestrian activity so as to foster human interaction.*

**Finding:**

The former school buildings did not conform to the minimum 25-foot setback from the public right-of-way described in the Institutional (IN) zone that came into effect after construction. In May 2023 the Planning Commission approved a setback reduction, SR 23-05, in order for the design team to be able to create a buffer between the building and Beaver Street and provide for off-street parking. The amount of separation between Beaver Street and the building's frontage will be between 23 and 30 feet, which is significantly greater than current conditions. The gym building is approximately 60 feet from the Fir St. right-of-way, this area will be used for the entry plaza and gardens which the Council finds will foster human interaction.

*L. The proposed signage harmonizes with the other structures in terms of form, materials and scale.*

**Finding:**

Although a blade sign was conceptually shown on some of the site renderings, the application did not include a request for the review and approval of any signage. Therefore, this criterion does not apply.

*M. Lighting fixtures: (1) are compatible with the architectural design; (2) produce illumination sufficiently subdued to be compatible with the village character; (3) avoid casting glare on adjoining property; (4) are sufficient for night-time safety, utility, security, and commerce; and (5) do not exceed the illumination values in the table at Section [17.44.150](#).*

**Finding:**

The site lighting plan details the proposed location and type of lighting fixtures on the site, along with the intensity of the lights. It was important that the design included enough lighting throughout the site for safety measures while also complying with the City's Dark Sky requirements.

The exterior lighting will include linear wall lighting added to the top of the mural wall to illuminate the revolving community artwork. The plaza will house soft linear edge lighting along the seating and upper planters to create a comfortable nighttime seating environment while softly illuminating the Welcoming Woman. The parking stalls will be illuminated by a single 14 feet tall floodlight on a natural wooden pole – This light will feature a horizontal cut-off so as not to create glare for adjacent residences. The canopies on the north and south side of the building will have surface mounted cylinders flanking each side of the wooden clad columns. The cylinders are singular downlines accenting the columns along the corridors. Additionally, there are 39" tall LED solar powered bollards that will illuminate an ADA Accessible pathway from the courtyard to a covered shelter located adjacent to the amphitheater.

Overall, the approach to exterior lighting is Dark Sky compliance and preserving the existing nighttime ambiance of Cannon Beach, while using minimal lighting for safety and wayfinding purposes.

*N. The project incorporates design elements or building improvements which result in the conservation of energy.*

**Finding:**

Lighting, HVAC, Plumbing, and Architectural features are some of the topics for energy conservation measures within the project. Sustainability and green measures were brought up several times by the community and it's something that the project addresses in many different ways.

The goal of the lighting strategy is to allow as much natural light to enter the space as possible. The new addition will have large window openings on the north and south side, as well as clerestory windows facing east and west. The gym building is to take advantage of the project's goals to increase windows on the end walls. The building will be equipped with controls to limit light output when daylighting is possible. LED lighting fixtures will be installed throughout equipped with occupancy sensors.

As for the HVAC, the building will utilize an Energy Recover Ventilator (ERV) for all air ventilation. Additionally, all heating is to be electric resistance meaning the building will be free from natural gas. Due to the physical location and climate conditions of the site, the building will not utilize any mechanical cooling.

For plumbing, a heat pump will be used for the hot water heater. The facility will have controls to turn off the water heater and recirculation pump during non-occupied times.

Finally, there are some architectural features that have been incorporated into the design that provide energy savings, including all flat roofs which will have a cool roof (SRI greater than 89%). Also, all window openings will use a thermally broken glazing system with 1" glazing units to replace what is existing. Additionally, overhangs will be used to reduce solar heat gain which is particularly effective on the south facades of the structures.

*O. The design of the project ensures continued privacy for the occupants of adjacent structures. In cases of multifamily housing, this item is to be rated as x3.*

**Finding:**

The design of the project ensures continued privacy for the occupants of adjacent structures.

#### **17.44.100 Landscape Design Evaluation Criteria**

*A. The design substantially complements the natural environment of Cannon Beach and the character of the site.*

**Finding:**

As the site of the former Clatsop-Nehalem Tribal village of 'Ne'Cus' for generations (perhaps over a thousand years) the site is nationally recognized as culturally significant and is considered one of the last best preserved Native American heritage sites on the West Coast. Given its location on the estuary where Ecola Creek discharges to the Pacific Ocean as well as the diversity of resident and migrating wildlife that frequent the bordering riparian area, the site is also recognized as both geographically and ecologically significant.

The landscape plan has been developed to reestablish some of the vegetation community that may have existed on the site historically, especially highlighting those species that are of ethnobotanical significance to Clatsop and Nehalem-Tillamook peoples who formerly occupied NeCus village. The use of such a planting palette is proposed in part to restore natural and scenic values to the park area, while also facilitating public interpretation of cultural and natural history.

This restoration landscape plan is designed to provide NeCus visitors with a sense of being surrounded by native habitats, and to provide visitors with an opportunity to envision the natural landscape as seen by the original inhabitants of the village. Ethnobotanically significant plant species will be used to create visual buffers between the park area and adjacent residential areas, while leaving views of natural features relatively open to



the north and west. Where restoration will require removal of existing plants, a “best practices” protocol is recommended: efforts will be made to retain native plants while invasive species (such as Himalayan blackberry) will be removed in a manner that discourages propagation on-site or at later disposal sites.

The City Council interprets this criterion to allow a determination of the degree to which the landscaping design reinforces the “natural environment” as well as the site character. Although the manicured lawn supported a functioning elementary school, the character of this site upon redevelopment is to recognize the former Clatsop-Nehalem Tribal village of NeCus and to educate about Native American heritage that reflects the ecological significance of this location. Although the interpretive garden organized around the Thunderbird design filed with native plants goes a long way to reflect this heritage, the Council finds that as proposed, it is overly complicated and too locationally constrained. Rather than produce a formally, manicured Interpretive Garden, the Council would prefer to see a more organic, informal and natural garden space that allows the visitor to amble through the entire site, learning along the way, rather than constraining the educational opportunities solely to the east side of the property.

Based on this finding, the Council has identified that with the following modification to the design, the landscaping throughout the site can reinforce the ecological and tribal significance of the site:

“The applicant shall submit a revised landscaping plan that includes a continuous path connecting the welcoming courtyard, the heritage garden and the story circle in an obvious loop along the riverbank complete with interpretive signage celebrating the overall site heritage. The Council shall approve these modifications, after a public hearing coupled with notice to owners within 100 feet of subject property, prior to building permit issuance.”

*B. The design harmonizes with and enhances the architectural design.*

*C. The landscape design acknowledges the growing conditions for this climatic zone and the unique requirements that its specific site location makes upon plant selection (i.e., salt, wind and wind exposure, soil condition, light, shade, etc.).*

*D. Provision has been made for the survival and continuous maintenance of the landscape and its vegetation.*

*E. Where it is desirable to do so, the design provides amenities for the public.*

*F. The design makes use of existing vegetation and incorporates indigenous planting materials.*

*G. The selection and arrangement of plant materials provides visual interest by the effective use of such design elements as color, texture and size differentiation.*

## **Finding:**

### **The Thunderbird Garden:**

The plan includes the welcoming courtyard at the intersection of Fir Street and Beaver Street that transitions into a heritage garden with labels for the planting and with their names and how the plants were used by the indigenous population. This garden pathways are oriented to reflect the image of the Thunderbird, as recommended by the tribal partners who contributed to the garden design. The northern end of the garden uses the same plant material but will not include labels. The pathways will be a hard surface for easy access for wheelchairs.

Although the Council appreciates the effort that went into intentionally designing this garden to serve multiple purposes, the Council echoes the concerns raised by the Design Review Board, that the circular pathways and number of plantings remains too complex. The Council did not recommend installation of elk fencing but acknowledged that elk foraging may require additional adjustments or replanting until the plants are established. Therefore, the Council finds that compliance with these landscaping criteria can be satisfied through the implementation of the following condition of approval:

“The applicant shall submit a revised landscaping plan showing a simplification of the garden plantings to reflect a more natural arrangement. The Council acknowledges that this may require relocating the Thunderbird to allow for the trail to loop to the creek and on into the Story Circle area. The Council shall approve these modifications, after a public hearing coupled with notice to owners within 100 feet of subject property, prior to building permit issuance.”

A play area is provided adjacent to the northeast side of the gym building and extends into the new native planting. A wooden play structure closest to the building is provided and designed for young children. The play area is extended north with a pole structure offering more imaginative play followed by a covered structure for seasonal protected play. The area is bounded on the east by a symbolic rock creek that widens out as it moves north with boulders for active play. Logs and fallen wood are added for play within the northern garden area.

#### The Courtyard Landscape Plan:

The planting proposed on this sheet is dominated by the playfield lawn, the riverbank and limited planting in the front of the classroom portion of the building. A small mound separates the play field from the area facing the story circle. Paving within the courtyard is shown indicating a proposed pattern to be created by different colors of pavers.

#### Story Circle Landscape Plan:

The Story Circle will be a space where people can perform, gather, and tell stories around a fire and in a comfortably scaled natural landscape. The plan creates a transition from a maintained lawn area to a native meadow planting and then into the sandy estuary beach grass and wooded existing vegetation. Two features have been added to the site. One is a traditional story circle with a centered fire pit. Seating around the circle's edge is composed of basalt boulders and driftwood log sections. The surfacing is crushed rock with basalt pavers around the fire pit. Native grasses are encouraged within the crushed rock surface.

A timber structure is proposed close to the beach estuary. It can be used for tribal and non-tribal events, particularly those related to salmon events. The path from the courtyard to the structure will be paved to provide safe ADA access rather than the crushed rock paving provided elsewhere.

Planting between the story circle and the structure will be a native meadow blend and shrubs. Driftwood log section will be placed in the area for seating during larger events in the story circle.

A dense row of native shrubs will be planted to provide a separation between the vehicular access to the food bank and the pedestrian spaces. The existing trees behind the food bank are to remain with native meadow seeding.

#### Southeast Plaza Landscaping:

The Southeast Plaza space will be an area to gather prior to filtering into the site. This area showcases the entry of the plaza with the Welcoming Lady being front and center standing on a pedestal of boulders and vegetation. Dune grass is placed around the boulders with more shrubs and plants behind the statue. Running along behind the benches are planter boxes with flowers and shrubs native to the site. The western side of the plaza has native

ground coverage and two large logs placed to serve as more seating for visitors. Behind the plaza you can see the trees from the heritage garden. Because the topography slopes down as you move to the heritage garden, a natural boulder retaining wall is placed on the border of the heritage garden.

#### Heritage Garden Landscaping:

The Heritage Garden will be a natural landscape with plants that are significant to the Tribe and are local non-invasive plants. As you walk from the heritage garden south towards the Southeast Entry Plaza, there will be a range of plants from trees, bushes and natural ground ranging in colors and textures. Other features you can see are some natural basalt rock formations and the proposed optional light bollards.

#### Ne'Cus Park:

Ne'Cus Park is an open space that can still function as a park space since it is well used and loved by locals and tourists alike.

The landscape design acknowledges the growing conditions for this climatic zone and the unique requirements that its specific site location makes upon plant selection (i.e., salt, wind and wind exposure, soil condition, light, shade, etc.).

*H. The hard surface portion of the design makes use of visually interesting textures and patterns.*

#### **Finding:**

The existing asphalt paving that currently is between the three existing buildings is envisioned to be replaced with plaza pavers that feature a traditional Clatsop/Nehalem tribal basket weave pattern. The Reception Courtyard will be an indoor/outdoor space that is shared from the north side of the Gym, where people can flow from one space to the other during events. The Heritage Playground will be a space for kids to play, mainly using natural materials that reference the history of the site. While there are many improvements to the site, each is proposed with the intention of educating visitors about the cultural heritage and ecological significance of this unique site.

*I. Where it is desirable to do so, the design provides visual interest through the creation of a variety of elevations.*

#### **Finding:**

The Thunderbird Garden plan includes the welcoming courtyard at the intersection of Fir Street and Beaver Street. The rendering shows the Welcoming Women standing on a mound of basalt boulders. The figure of the woman will be provided by our tribal partners who also provided the image of the Thunderbird that defines the garden's pathways. Because the topography slopes down as you move to the heritage garden, a natural boulder retaining wall is placed on the border of the heritage garden.

The Courtyard plan includes the playfield lawn, the riverbank and limited planting in the front of the classroom portion of the building. A small mound separates the play field from the area facing the story circle. Paving within the courtyard is shown indicating a proposed pattern to be created by different colors of pavers.

*J. The design contributes to the stabilization of slopes, where applicable.*

#### **Finding:**

The plan calls for the removal of invasive plants, particularly Himalayan blackberry along the riverbank. It will be replaced with cutting of native shrubs, willow, and herbaceous plants.

*K. The design successfully delineates, and separates use areas, where it is desirable to do so.*

**Finding:**

There are numerous areas throughout the site that are delineated and separated for different uses and activities. These areas are referred to as The Thunderbird Garden, the courtyard, the Story Circle, the Southeast Plaza, the Heritage Garden, etc. These plantings and uses of these areas have been previously described.

*L. The lighting fixtures and level of illumination are compatible with the landscape design. The level of illumination produced enhances the overall project and does not cast glare on adjacent property or into the night sky.*

**Finding:**

The site lighting plan details the proposed location and type of lighting fixtures on the site, along with the intensity of the lights. It was important that the design included enough lighting throughout the site for safety measures while also complying with the City's Dark Sky requirements.

The exterior lighting will include linear wall lighting added to the top of the mural wall to illuminate the revolving community artwork. The plaza will house soft linear edge lighting along the seating and upper planters to create a comfortable nighttime seating environment while softly illuminating the Welcoming Woman. The parking stalls will be illuminated by a single 14-foot tall floodlight on a natural wooden pole – This light will feature a horizontal cut-off so as not to create glare for adjacent residences. The canopies on the north and south side of the building will have surface mounted cylinders flanking each side of the wooden clad columns. The cylinders are singular downlines accenting the columns along the corridors. Additionally, there are 39" tall LED solar powered bollards that will illuminate an ADA Accessible pathway from the courtyard to a covered shelter located adjacent to the amphitheater.

Overall, the approach to exterior lighting is Dark Sky compliance and preserving the existing nighttime ambiance of Cannon Beach, while using minimal lighting for safety and wayfinding purposes.

## **DECISION AND CONDITIONS**

**Motion:** Having considered the evidence in the record, based on a motion by Councilor Hayes seconded by Councilor Ogilvie, the Cannon Beach City Council unanimously moved to approve with conditions the City of Cannon Beach application to reuse and remodel the former Cannon Beach elementary school facility into a tourism-oriented facility at 268 Beaver Street (Tax Lots 4000, 4100, 4101, 4200, 4301, AND 5700,), APP# 23-07, as discussed at this public hearing subject to the following conditions:

1. The applicant shall submit a revised landscaping plan that includes a continuous path connecting the welcoming courtyard, the heritage garden and the story circle in an obvious loop along the riverbank complete with interpretive signage celebrating the overall site heritage. The Council shall approve these modifications, after a public hearing coupled with notice to owners within 100 feet of subject property, prior to building permit issuance.
2. The applicant shall submit a revised landscaping plan showing a simplification of the garden plantings to reflect a more natural arrangement. The Council acknowledges that this may require relocating the Thunderbird to allow for the trail to loop to the creek and on into the Story Circle area. The Council shall approve these modifications, after a public hearing coupled with notice to owners within 100 feet of subject property, prior to building permit issuance.



# CANNON BEACH CITY COUNCIL

## **BEFORE THE CITY COUNCIL OF THE CITY OF CANNON BEACH**

IN THE MATTER OF AN APPEAL OF A DESIGN REVIEW BOARD DECISION REGARDING THE REJUVENATION OF THE FORMER CANNON BEACH ELEMENTARY SCHOOL BUILDINGS AND NECUS PARK SITE FOR USE BY CANNON BEACH VISITORS AND RESIDENTS, BUSINESSES, AND THE CLATSOP NEHALEM CONFEDERATED TRIBE FOR A VARIETY OF COMMUNITY INTERESTES INCLUDING USE AS A TOURISM ORIENTED FACILITY ON THE FOLLOWING PROPERTY:

City of Cannon Beach Appeal of a Design Review Board Decision Regarding APP# 23-07 for the adaptive reuse of the former Cannon Beach Elementary School located at 268 Beaver Street (Tax Lots 4000, 4100, 4101, 4200, 4301, AND 5700).

### FINDINGS OF FACT, CONCLUSIONS AND ORDER NUMBER – APP# 23-07

Applicant: City of Cannon Beach  
163 E. Gower Street  
P.O. Box 368  
Cannon Beach, OR, 97110

Zone: Institutional (IN) Zone

The above-named applicant applied to the city for the adaptive reuse of the former Cannon Beach Elementary School. The property is owned by the City of Cannon Beach and is located at 268 Beaver Street (Tax Lots 4000, 4100, 4101, 4200, 4301, AND 5700). The property is owned by the City of Cannon Beach.

The proposed adaptive reuse of the former Cannon Beach Elementary School was reviewed against the criteria of the Municipal Code, Section 17.44, Design Review Standards.

The public hearing on the above-entitled matters was opened before the Design Review Board on September 21, 2023, and the matter was continued. The application was further discussed at the October 19, 2023, Design Review Board meeting; the Design Review Board closed the public hearing at the October 19, 2023, meeting and concluded that the adaptive reuse of the former Cannon Beach Elementary School be denied. The applicant sought review of the Design Review Board's decision by the City Council.

The City Council held a Scope of Review meeting as a non-public hearing item on November 7, 2023, and determined that the appeal will be heard on the record of the decision made by the Design Review Board, according to Section 17.88.160 of the Cannon Beach Municipal Code, according to Section 17.88.160 of the Cannon Beach Municipal Code.

The public hearing on the appeal was opened before the City Council on December 5, 2023; the City Council closed the public hearing at the December 5, 2023, meeting and approved with conditions the adaptive reuse of the former Cannon Beach Elementary School

THE CITY COUNCIL HEREBY ORDERS that the proposed adaptive reuse of the former Cannon Beach Elementary School is APPROVED and adopts the findings of fact, conclusions and conditions contained in Exhibit "A." The effective date of this ORDER is 21 days following the signing of this order, subject to the findings contained in Exhibit "A."

This decision may be appealed to the State of Oregon Land Use Board of Appeals (LUBA) by an affected party by filing a notice of intent to appeal a land use decision within 21 days after the date of the decision sought to be reviewed becomes final.

All information submitted to and utilized by the Design Review Board and City Council to make this decision are adopted by reference (including but not limited to applications, plans, documentation, written and oral testimony, exhibits, etc.).

The complete case, including the final order is available for review at the city.

CANNON BEACH CITY COUNCIL

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Mayor Barb Knop

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Date