

PORT OF NEWPORT COMMISSION WORK SESSION

Tuesday, November 15, 2022, 5:00 p.m.

South Beach Activity Room

2120 SE Marine Science Dr.

Newport, OR 97365

This will be a hybrid meeting, which means you can attend in-person, or you can view the live stream of this meeting on our website: <https://portofnewport.specialdistrict.org/2022-11-15-commission-meetings-2022-november-15-2022-5-00-p-m>

Anyone interested in making public comment must complete the form on our website and submit it by 11:00 a.m. on Monday, November 14, 2022: <https://portofnewport.specialdistrict.org/2022-11-15-commission-meetings-2022-november-15-2022-5-00-p-m>

I. Call to Order

II. Discussion on Future of South Beach Marina and RV Park - *Miranda*.....Page 2

III. Public Comment

IV. Adjournment



WORK SESSION REPORT

DATE: 11/04/22
WORK SESSION DATED: 11/15/22
TO: Board of Commissioners
ISSUED BY: Paula J. Miranda, General Manager

Generally, the Port commission creates policies, which are our guidelines principles for which staff use to manage Port's assets and properties. Port staff creates operational guidelines to incorporate and better manage those policies.

Staff have discussed and put together some information, as well as some suggestions for discussion during this meeting with the intention to inform commissioners and find out if we are on the right path.

No changes will be approved during this meeting, and we assume any major changes would expect to take time to be implemented.

Staff search for guidance as how to move forward. If necessary, additional meetings can be added for further discussion and evaluation.



Below is a copy of the policy related specifically to the Port of Newport RV Park.

Chapter 6. Port of Newport RV Park

6.21 Application. Unless otherwise specified, the provisions of this Chapter are applicable at the Port of Newport RV Park at the Marina at South Beach (the “RV Park”). Where inconsistent with general provisions of Chapters 1 and 3 of this Code, the more specific provisions of this Chapter control.

6.22 Conditions of Admittance and Occupancy.

(a) The RV Park is for recreational vehicles only. It may not be used as a permanent address.

(b) All individuals within the RV Park must at all times comply with the applicable provisions of this Code as well as all posted signs and rules. Failure to do so is a violation of this Code.

6.23 Registration. Patrons shall register prior to parking within the RV Park.

6.24 Fees. All fees are payable in advance.

6.25 Parking. Parking shall be only in numbered areas assigned for overnight use only, except in the areas of the dry camping area where areas are not numbered.

(a) One recreational vehicle plus one towing or towed vehicle is allowed per assigned space. No boats or boat trailers are allowed in RV spaces, unless the combined length of all vehicles, trailers, and the like, is less than the maximum length allowed for the particular space.

6.26 Campfires and Open Flames. No open campfires or open flames are permitted within 15 feet of a structure, vehicle, trailer or combustible material. Propane crab cookers are also prohibited within five feet of a structure or vehicle. Portable propane grills and warmers are allowed in campsites and picnic bunkers.

6.27 Refuse. Patrons may only dispose of refuse in containers provided for that purpose and shall keep RV spaces free of debris. Failure to so act is a violation of this Code.

6.28 Pets. Pets shall be kept leashed and under the control of the owner at all times. Pets may not be left on a leash or tether outside the RV when the owner is not present.

6.29 Quiet Hours. It is a violation of this Code to cause an unreasonable amount of noise or other disturbance during posted quiet hours.

Throughout the years the number of long-term users at the park have grown considerably. To better manage the ongoing demands, staff had within the past 5 years created a lottery system, which helps manage the selection of sites, as there were many conflicts of who got what. Meanwhile, staff has also received many complaints via email and verbally from customers trying to stay shorter terms, but never being able to secure a site. Staff reevaluated the lottery system and decided to limit the number of spaces available to long term uses amongst other

small changes. Unfortunately, commissioners and staff heard from several of those long-term users that they were not happy with the changes. Staff decided to go back to status quo for this year and scheduled a meeting to listen to the users. The meeting was scheduled for August 31, 2022. The meeting lasted about 3 hours and staff heard from about 35-40 users. I know some commissioners have listened to the recorded meeting. If you haven't and are interested in watching or listening, the meeting can still be found in our website at: https://portofnewport-my.sharepoint.com/:v:/p/gtucker/EXqbpjIC4w5Bvv8EUxdPgwUBr0Fqf_8SXA4xi7pX7ZdVVA?e=MA6kjm

Here are some of the questions we received and answers we presented during our RV Park Users Meeting:

Can people who have a business in Newport be given a higher priority in the lottery?

- a. This will require additional research, as again, we are not a trailer park. We have to evaluate what categories of business should be considered and that may take time. However, we will evaluate and let you know at a later date.

Can long-term visitors be given higher priority in the lottery?

- a. For those parking their RV at the Park, by placing them in a lottery they are receiving a higher priority. We are reverting back to last years system, those who stay longer in the RV park will receive a higher priority than those staying for a one-month period. Moorage has not been historically considered in the lottery.

Can moorage be given higher priority than RV in the lottery?

- a. The RV Park and the Marina are separate parks. The same concept as described above applies in this case.

Why doesn't the lottery have a one-month category?

- a. A month and above is heavily discounted at 51%, and in the peak of the season that accounts for almost 75% of the stays. In order to consider that in the future, we may have to consider a change in discounts, implementing a tiered discount system, based on length of stay.

Why can't I choose my RV spot in the lottery?

- a. The system allows you to choose up to five spots as your preference. Keep in mind that many other people may want your same spot. Unfortunately, we can't satisfy everyone.

Who creates and maintains the lottery system?

- a. The Lottery system is created by and maintained by Port Staff

Why are there 45 RV Park spots in the lottery?

- a. This is based on the number of long-term users we have on file, however this year, we will not be making any changes so all sites will be available in the lottery. We will listen to your feedback prior to limiting the number of spaces in the future.

Can those who reserve six-months keep their current spot?

- a. This will be determined by the lottery system, and who is selected first, second etc....

Are people going to be pushed out?

- a. That is absolutely not the intent of the Port. In fact, it is the opposite. As a public entity we are trying to create opportunities for everyone.

Can long-term visitors have parking discounts?

- a. Yes, an annual parking pass is available at a deeply discounted price for everyone.

Can long-term visitors have moorage discounts?

- a. Again, the RV Park and the Marina are separate parks. Until recently we realized some of the heavily discounted moorages were not paying for themselves, as we provide water and electricity. We already provide moorage discounts based on the length of the stay. Those discounts can not be combined for additional discounts. Based on 2019-2020 rates and costs, a semi-annual moorage holder with a vessel less than 34 feet actually costs the Port money.

Other comments received that were not read during the meeting:

“As you consider revisions to the rules and regulations regarding long-term tenants, please remember that many of your long-term, returning customers are born and raised Oregonians who choose to support one of their own communities rather than spending a considerable amount of money vacationing in another state for the summer. Thriving communities need their own to honor and care for the culture and natural resources that visitors may appreciate but tend to take for granted.”

“The amount of Revenue created in the community by long term Rentals -Charter bookings, Gas for boats, Shopping at retail and grocery stores, rv and boat repairs, restaurants, lottery, fishing and crabbing gear etc. family & Friends that visit and spend money at all the above. Creating a community at the park -meeting new friends, several are staying longer next year due to extended new friendships. -Concerned over boat slip rentals and not having the same amount of time to stay and use your boat -Staffing challenges to have to book daily stays versus long term stays. Already they are overwhelmed with calls. This will create more work for them to move us all around all

year. -Friends have went from full time Rv'er here and have made this their permanent home.”

“I have been coming to the RV Park for the last 11 years. I believe the lottery system is unfair. There are never any good sites available for short-term stays. There are plenty of rigs here, but not any people. No other park I know of has a lottery or such long-term stays. Some people act like they live here. I would like the system to be more equitable.”

“This was a nice RV park. The key word “was”. We’ve been coming here for the past 10 years. It has turned into a dog park with a lot of full time residents. When I complained about the barking dogs I was told there is nothing they can do about it. The grass is dead. There is dog shit on the dead grass. There are transients in the showers after hours. I was here for 2 weeks and never saw security come through once. It’s sad what this park has become. I don’t blame the office staff, there hands are tied by their bosses. Please limit the length of stay, the number of dogs per campsite, and please follow your own rules.”

As you can see there are a lot of competing needs between long term users and short-term users. Long term users had an easier time expressing their needs as they were here in groups. There were some emails received from short-term users, but there were a lot of phone calls and expression of dissatisfaction to the staff and to me.

There is no way to satisfy all of the needs. However, we have to evaluate what is the reason we even have an RV Park in first place. Then we need to decide where do we go from here.

As you read the ORS 777 for which ports are created, there are some specifics and some more vague powers and reasons why ports are created. One that is very clear is the use of ports for economic goal of the State related to the maritime and commerce trades. One that is less clear is the reason for creating recreational opportunities. Here are some of the sessions that addresses some of those areas.

“777.065 Development of port facilities at certain ports as state economic goal; state agencies to assist ports.”

“777.250 (3) A port may acquire, construct, maintain or operate sports, recreation, convention and trade show facilities.”

“777.258 General powers of port in promotion of certain interests. A port may, in general, do such other acts and things, not mentioned by ORS 777.195 to 777.258, as tend to promote the maritime shipping, aviation and commercial interests of the port.”

In my experience, one of the main reasons ports are engaged in recreational activities is because they are usually one of the largest landowners next to a body of water. By utilizing some of their properties for recreational opportunities, ports provide accesses to water that the general public otherwise wouldn’t have. The other reason, it is to provide other income

opportunities to help ports accomplish their main mission of economic opportunity for the community it serves through maritime opportunities and trade.

Today's Port mission is as follows: **“Build and maintain waterfront facilities, and promote/support projects and programs in cooperation with other community organizations and businesses that will retain and create new jobs and increase community economic development.”**

Port's Vision is as follows: **“Vision: The Port of Newport will serve as the premier Oregon coast port for the commercial fishing fleets, for recreational fishing and tourism, and for ocean observation and marine research support. We will be one of the top two Oregon coast ports for waterborne commerce while protecting and enhancing the beauty and integrity of the natural environment which is the foundation of our working waterfront community.”**

There is nowhere in the ORS 777 or our mission that talks about the Port providing housing or other forms of long-term accommodations. However, throughout the years our RV Park has become less of a tourist attraction and more of a long-term housing opportunity at the Coast. Some of which has been heavily discounted for those staying long term. Some are understandable, because they are closely tied to the use of the marina, but other uses are a bit more questionable. After a lot of research, staff found that there are some pros and cons on this trend. Here are some of them:

Pros:

- Mutual use of the recreational marina and RV park. As many moorage holders are out of towners, having the RV facilities nearby with allowance to stay long term does offer more opportunities for both parks. We may lose some moorage holders if they are not allowed to stay at the park long term during the summer.
- Many long-term users of the RV park users have created bond with other users creating more opportunities for them to come back year after year.
- By having a steady number of users, those revenues have been steady throughout the years.

Cons:

- Unfortunately, most long-term users are usually here only during the busiest season.
- A long-term user creates a tenancy, and more laws applies in favor of the user.
- Long term use is heavily discounted (51%), which reduces Port's revenues tremendously.
- Many users book long term to get the discount, but don't show up for many days causing the park to look like is not being fully utilized.
- Some customers may park their RV and only come to the park on weekends, minimizing economic opportunities for the community (restaurants, shops, etc.).
- Less opportunity for short-term users who are full rate payers.

- Less benefits for the community (uses of restaurants, shops, etc.), as long-term users are less likely to use tourism options from the community.
- Continuing increase demand for additional spaces for long-term users.

Campground and RV Parks throughout the State:

A recent article <https://www.oregonlive.com/news/2022/09/crowded-oregon-campsites-see-fights-camp-pirates.html> on OregonLive (the Oregonian) states that parks are running at 96-98% capacity. Our Park is not an exception. The same way we get complaints from long term users, we have also received several verbal and written complaints from short term users unable to get spots throughout the summer.

Staff has recently researched other RV Parks in the Oregon Coast. In particular those owned by a public entity and near a recreational marina. There weren't many and most did not offer more than 21 days stays, except for the Port of Siuslaw in Florence and other private RV Parks, which charge more than we do. The Port of Newport was one of the most heavily discounted for long-term users, with 51% discount for those staying longer than a month. Some had their heavier discount during the slower months, which made more sense.

What we are looking for is some guidance from commissioners as to where you would like to see this park going. Perhaps come up with some options that can be included as policies versus operational guidance from staff.

Some things to consider:

- Do we want to continue to increase the numbers of long-term users?
- Do we want to set a maximum number of long term-users?
- Should we consider creating policies on how long someone can leave a spot vacate until the reservation is cancelled?
- Should we consider creating policies on how long an RV can be left unattended until we cancel the reservation?
- Should we consider tying long-term with the use of the marina?
- Should we consider providing less discount for long-term users during the busiest season, but instead apply those to the slowest season?
- We could consider offering a set number of spaces for group discounts.
- We already have rules on leashed dogs, but perhaps there need to be a consideration for sizes and numbers.
- Do we want to evaluate the amount of discount given to long-term users in the future? We need to keep in mind that the purpose for offering discounts on long term stays is to incentivize those stays, which can provide the Port with certainty that those spaces will be filled. This makes sense if the Port is concerned that we cannot fill those spots during those times, but if the spots can otherwise be filled it may not make sense to continue to incentivize those long term and heavily discounted stays during peak seasons.

We get less than one percent of our general funds from taxes. All the other funds come from us creating our own revenue. There are many properties that are designated to commercial uses throughout the Port, which helps create jobs and other economic opportunities. The RV Park is one of the few opportunities that do help supplement the Port's income to continue our mission. So, some consideration has to be taken in that regards.

RV Park discount analysis and comparison

Short term Stays

Less than 31 days	Revenues	Days
RV Park Rental Daily	\$587,828	9,397
RV Park Annex Daily	\$156,511	3,048
RV Dry Camp Rental Daily	\$133,172	4,018
Total Revenue	\$877,511	16,463

Long term Stays

31 days stay or more	Current Revenue	Number of Days in Park
RV Park Rental Monthly	\$461,354	12,663
RV Park Annex Monthly	\$220,328	7,225
RV Dry Camp Monthly	\$877	28
Total Revenues	\$682,559	19,916
Potential Lost Cash Flow	\$542,660	

			WHAT IF ---Revenues calculated based on a discounted rate from daily									
31 days stay or more	Current Revenue	Number of Days in Park	0%	5%	10%	15%	20%	25%	30%	35%	40%	45%
RV Park Rental Monthly	\$461,354	12,663	\$863,110	\$819,955	\$776,799	\$733,644	\$690,488	\$647,333	\$604,177	\$561,022	\$517,866	\$474,711
RV Park Annex Monthly	\$220,328	7,225	\$361,250	\$343,188	\$325,125	\$307,063	\$289,000	\$270,938	\$252,875	\$234,813	\$216,750	\$198,688
RV Dry Camp Monthly	\$877	28	\$859	\$816	\$773	\$730	\$687	\$644	\$601	\$558	\$515	\$472
Total Revenues	\$682,559	19,916	\$1,225,219	\$1,163,958	\$1,102,697	\$1,041,436	\$980,175	\$918,914	\$857,653	\$796,392	\$735,131	\$673,870
Potential Lost Cash Flow	\$542,660		No change	\$61,261	\$122,522	\$183,783	\$245,044	\$306,305	\$367,566	\$428,827	\$490,088	\$551,348