

# Proposed new sales tax might help fund convention center expansion



DON FRANK PHOTO

A \$25 million expansion of the Seaside Civic and Convention Center could be paid for by a local sales tax and an increase in lodging taxes.

## Hike in lodging taxes also proposed

By Nancy McCarthy  
Cannon Beach Gazette

A local sales tax could be imposed on all businesses throughout Seaside to help pay for a proposed expansion of the Seaside Civic and Convention Center and a new parking structure.

The sales tax also would come with a bump in local lodging taxes, said Russ Vandenberg, general manager of the convention center. Vandenberg spoke to the Seaside Chamber of Commerce at its weekly meeting Jan. 30.

Vandenberg said the proposal will come before the Seaside City Council this year. The council would have the final say on the expansion and the financing scheme; it will not be subject to a public vote.

A proposed \$25 million convention center expansion has been in the works for at least six years and has undergone studies by three consulting firms. The tentative design, however, would eliminate 42 parking spaces, which could be restored by construction of a parking structure, adding \$6 million to the bill, Vandenberg said. The structure could add hundreds more spaces to make up for those being lost.

It would cost \$200,000 a month for 30 years to pay off the debt, he said.

C.H. Johnson Consulting, which did the latest study, suggested three financing options. The first suggestion was to work with the cities of Cannon Beach and Astoria to increase their lodging taxes and contribute the proceeds to the convention center. But, Vandenberg said, "I feel, realistically, that's not going to happen."

The second option was to raise the city's 8 percent

lodging tax by 6 percent. That would bring in \$2.6 million a year, about the amount needed annually. Another 1 percent in lodging taxes goes to the state.

In comparison, Vandenberg noted, Portland has a 13 percent lodging tax.

The third option was to create a 2.75 percent "business improvement district" tax that would be applied to all retail sales — including food stores and restaurants — throughout Seaside and combine it with an increased lodging tax that could reach to 5 percent. The actual figures have not been determined yet, Vandenberg said.

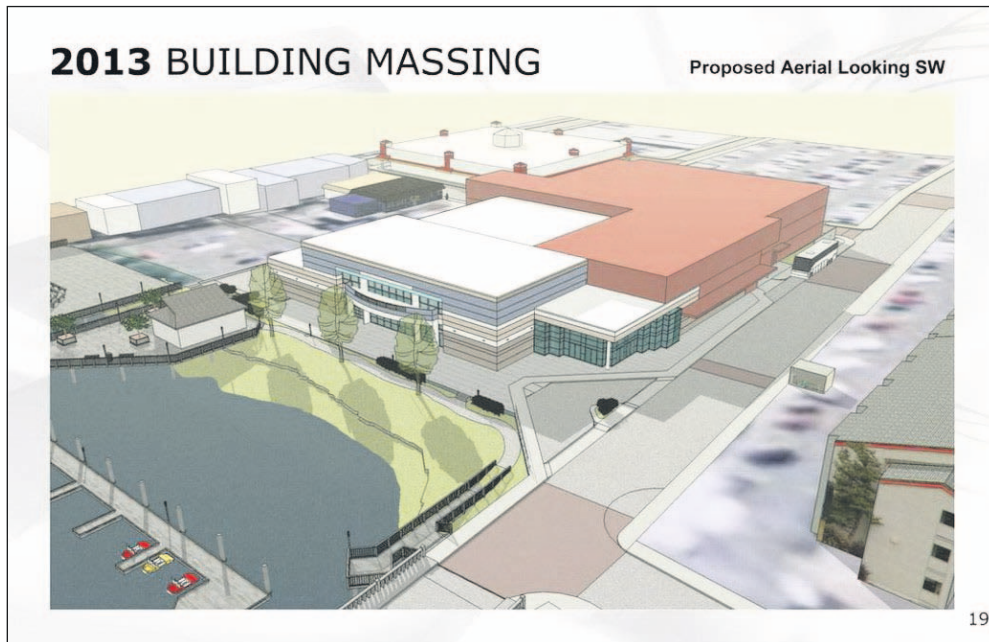
"We haven't come up with a formula," he added. "We have to look at all the options. But everything we do comes with a price tag."

Within 10 years the city could realize a 50 percent increase in economic development and event days, Vandenberg added. That would generate another \$20 million to the \$44 million annual economic impact the city already experiences from the convention center.

The expansion would allow the convention center to bring groups of 500 to 600 to town. It currently is limited to conventions of 200 or fewer people. Within a 300-mile radius of Seaside there are "hundreds" of larger groups that have been unable to use the center, Vandenberg said.

When asked in a survey if they would come to Seaside, the "overwhelming response was yes," he said. "There's a very strong indication that groups would come to Seaside."

To accommodate the visitors, Seaside already has 600 "convention quality" rooms within walking distance,



SUBMITTED ILLUSTRATION

The existing Seaside Civic and Convention Center would be expanded to the west, doubling the current space. When completed the center would have 40,000 square feet of public space.



SUBMITTED ILLUSTRATION

A rendering shows the proposed expansion on the west side of the existing Seaside Civic and Convention Center. The expansion would eliminate about 42 parking spaces.

according to Vandenberg. Some hotels would have to undergo some upgrades if they wanted to compete, he added.

Questions to Vandenberg focused on what would prevent people from finding less costly lodging elsewhere or going to another town to shop if the sales tax was adopted.

"I think you might be shooting the goose that's laying the golden egg," one person told Vandenberg.

If the City Council approves the expansion and funding, the architectural designs would be finalized in 2016 and construction could begin in 2017, Vandenberg said.

The expansion calls for doubling the size of the con-

vention center to bring it to 80,000 square feet. Of that, 40,000 square feet would be usable, public space. Vandenberg said the additional space would allow large groups to use the exhibit hall and still have enough room to dine. The current space is too small to provide dining in the smaller Necanicum Room for everyone using the larger, 12,000-square-foot Pacific Room.

In 2014, the convention center hosted 51 conventions, as well as 37 civic events and some fundraisers and other sessions. The C.H. Johnson Consulting study estimates the expanded center would hold 109 events by 2017 and 149 by 2021.

Attendance could increase from the 36,672 experienced

in 2014 to 82,620 in 2026, according to the study.

However, the convention center would continue to run a deficit, as it always has done, the study noted. The current deficit of \$350,000 would increase to \$461,000 in 2017 and eventually decrease to \$317,000 in 2026, if the figures for the center's use and attendance are realized, the study said.

## Tree removal plan ruffles feathers

Trees from Page 1A

ODOT needs to finish the first phase by late winter to get ahead of the nesting period for migratory birds that begins April 1. That's a rule every ODOT project has to abide by — otherwise, the department must hire a biologist to see if there's any nesting material in the trees, and that can be expensive, Jablonski said.

The city will "provide appropriate notice" to Cannon Beach residents when the time comes, Grassick said.

### A political issue

When ODOT came before the council last year, "we were very opposed to just the wholesale removal of those alders," Morgan said.

He noted that during the wind and rain storms of early February no trees or branches had fallen onto the highway.

"The proof is in the pudding. If the trees aren't causing a problem, they don't need to be cut," he said. "I think it's a solution in search of a problem."

Residents who live near the highway tend to view those trees as a "visual and noise buffer," he said.

Shawn LaMunyon and his wife, Sarah McAllister, who own a double lot east of the highway, are two such residents.

Asked what he thinks of ODOT's proposal, LaMunyon said flatly, "I don't want it to happen."

Though he understands that some thinning may be necessary to improve highway safety, he feels the 200-tree project is too large.

Morgan said Cannon Beach citizens "could and should" contact state Rep. Deborah Boone, D-Cannon Beach, and state Sen. Betsy Johnson, D-Scappoose, and "make it a political issue."

powered by

music first

The Coaster Theatre Playhouse Presents

'NIGHT MOTHER  
BY MARSHA NORMAN

JAN. 30 - FEB. 21, 2015

Tickets \$20 or \$15  
Shows begin at 7:30 p.m.  
Sunday shows at 3:00 p.m.  
Talkback - Thurs., Feb. 19<sup>th</sup>  
Sponsored by Mike & Tracey Clark

Tickets: 503-436-1242 or coastertheatre.com  
108 N Hemlock Street, Cannon Beach, OR

Local Grill & Scoop

Experience Family Dining in a Relaxed & Friendly Environment

Serving Seafood, Pizza, Sandwiches, Espressos, Beer, Wine, Ice Cream and our Homemade Desserts

We have a fabulous patio where you can enjoy the weather and your meal.

"TO-GO" Orders Welcome

156 N. Hemlock • Cannon Beach  
503.436.9551  
Owned and Operated by the Cleary Family

AMERICAN LEGION POST 168  
1216 S. Hemlock Street • Cannon Beach  
503.436.2973

VALENTINE'S DANCE  
February 14<sup>th</sup>, 2015

FIRST SATURDAY of the MONTH  
Oyster/Fish Dinner • 5:00 – 8:00 pm • \$15

THIRD SUNDAY of the MONTH  
Women's Auxiliary Breakfast – 9:00 – 11:30 am • \$8

EVERY MONDAY NIGHT  
Burgers and Jam Session • 6:00 – 8:00 pm  
Really good informal music until the musicians wear out!

EVERY FRIDAY NIGHT  
Join us for Texas Hold-em • 6:45 pm

Above Events Open to the Public

# Dining on the North Coast

Sweet Basil's Cafe

The Wine Bar

"It's time we asked... what's in my food?"

- Healthy options that excite the palate!
- Wide variety of Vegetarian, Vegan & Gluten-Free options!
- Sustainable Seafood, All-Natural Poultry & Pork!
- Soup of the Day & Seasonal offerings!
- Local, Regional & Imported Wines!

Live Music • Wine Tasting

TWOSOME THURSDAYS  
Shared 4 course Dinner with a Bottle of Wine every Thursday for \$59

OPEN Wed - Sun for Lunch & Dinner  
271 N. Hemlock St., Cannon Beach  
503.436.1539 • www.cafesweetbasils.com

PIG 'N PANCAKE

223 S Hemlock  
503-436-2851  
7AM - 3PM Daily

From hashbrown potatoes ground fresh daily and award-winning sourdough pancakes to homemade soups and clam chowder, you'll find delicious family friendly dining at the Pig 'N Pancake. Over 35 breakfast varieties and a complete lunch menu, too. Our dining area overlooks a beautiful wetland area and downtown Cannon Beach.

NORMA'S SEAFOOD & STEAK

20 N. Columbia, Seaside  
503-738-4331

Since 1976 discriminating diners have sought out this Seaside landmark. There's a chalkboard fresh catchlist, exclusively natural Angus beef and a great regional wine list as well as local microbrews. From Steak & Lobster to Fish & Chips (and Chowder to die for) - this is worth the drive! 11am-10pm daily. Visit www.normasseaside.com

TO PLACE YOUR AD HERE!

ONLY \$22 per issue

Seaside Office: 503-738-5561  
Astoria Office: 503-325-3211