

Development Review Advisory Committee
MINUTES
Thursday, October 11th, 2007

Attendees:

DRAC Members Present

Simon Tomkinson	Kathi Futornik
Peter Finley Fry	Goudarz Eghtedari
Melvin Oden-Orr	Don Geddes
Greg Theisen	Bonny McKnight
Rick Michaelson	

Guests

Susan Steward, BOMA
Thomasina Gabriele, Institutions Coalition
Jim McCauley, HBA

City Staff Present

Anne Hill, BDS	Paul Scarlett, BDS
Rebecca Esau, BDS	Nora Mulane, BDS
Kurt Krueger, PDOT	Alisa Cour, BDS
Denise Kleim, BDS	Lana Danaher, BES
Jim Nicks, BDS	Cindy Dietz, Water
Riley Whitcomb, Parks	Elizabeth Kennedy-Wong, Parks
Betsy Ames, BOP	

DRAC Members Absent

Charlie Grist	Jeff Perala
Tom Skaar	Don Hanson
Dennis Wilde	Alan Beard
Steve Heiteen	

Handouts

9/13/07 DRAC Minutes
BDS Budget Preparation Process, FY 2008-09
BDS Preliminary Economic Outlook and Revenue Forecast
Follow-up to DRAC: Early Assistance Appointments
Park System Development Charges
Impact Assessment Subcommittee Report
Impact Assessment Game

Convene Meeting

Chair Simon Tomkinson convened the meeting and asked if anyone had any changes to the September meeting minutes. With no changes, the September 13th, 2007 minutes were approved.

Director's Report

Director Paul Scarlett updated the group on the physical move happening in the next 2 months to both Bureau of Planning and BDS staff. BOP will be moving to the vacant 7th floor of the 1900 Building. BDS staff in turn will expand from the 5th, 6th, 2nd, 1st, and ½ of the 4th floors to the rest of the 4th floor and a portion of the 3rd floor. The DSC will remain on the 1st floor, the Permitting Services will remain on the 2nd floor and the main Bureau reception will remain on the 5th floor.

Paul asked Administrative Services Manager Denise Kleim to update the group on the budget process. Denise passed out and reviewed two budget documents: *BDS Budget Preparation Process, FY 2008-09* and *BDS Preliminary Economic Outlook and Revenue Forecast*. Based on the preliminary analysis presented, it is expected that total BDS revenues for FY 07-08 will be the same or slightly higher than budgeted revenues. In future years, slower revenue growth of about 2% per year is expected. Importantly, several bureau programs currently have reserves deficits or inadequate reserves and even with moderate revenue growth, it is the long-range financial plan to manage program costs in order to build adequate reserves. Inspections Manager Jim Nicks noted that while new home construction numbers were down, the number of residential inspections continues to climb. This is due to the increase in residential remodels and alterations. Despite the increase in inspections the revenues are down due to the valuation (which building permits are based on) of alterations being generally less than new residential construction. He will be working to accommodate that discrepancy in the budget process.

Parks SDC (System Development Charge) Update

Parks Bureau staff Riley Whitcomb presented an overview of the Parks SDS, its' uses and the process in place to review the charges and recommend new charges. Greg Theisen asked what the range of the proposed increases was. Riley Whitcomb noted that the increases were projected to be 1.5 to 2 times the current charge, and that there would be a new commercial charge based on the number of employees, the square footage of the building and the type of business. Greg Theisen followed up by asking how much the charge would be for a 300 square foot yard with 3,000 employees. Riley Whitcomb noted that was a good question since the assessment proposal did not take into account property that did not have a building on it.

Rick Michaelson commented that he was not encouraged by the current trend of assessing the Central City higher rates than the rest of the City, and that the fees went against the planning trends for the Central City. Discounts were set that are now being taken away in the Central City. He asked if a commercial property changed use, would the City reimburse the owner if the impact was reduced? Riley Whitcomb agreed to take Michaelson's comments and question back to the Bureau for consideration. Goudarz Eghtedari commented that as a neighborhood representative, he wanted to make sure the SDCs were fair and balanced between the neighborhoods that already have enough park space and those areas that need parks.

Greg Theisen noted that to not address the existing capacity of the schools to be counted, as recreational acreage is a fatal flaw in the consideration. Riley Whitcomb replied that if the committee had added the total available acreage of the schools, the fees would increase. He added that the Bureau was talking with the Portland Public Schools about recreational easements. Theisen replied that he was confused about how more recreational acreage that the City did not have to maintain or acquire but could be tracked as used by the public, drive up the cost of the fees.

Bonny McKnight asked if an audit had been done re: how much City owned land exists, and how much of it is open space. She thought that it was a good public investment to use these publicly owned properties. Riley Whitcomb said there was no audit, that Bonny should raise this issue with the Parks Director. Jim McCauley commented that the Parks SDC is not clean. That every jurisdiction assesses parks differently. He asked where the proposed 600 acres of open space the bureau wants to acquire is located. He added that he liked Bonny McKnight's idea of maximizing already existing publicly owned space.

Peter Finley Fry asked if the residential SDC was a flat fee. Riley Whitcomb replied that yes, residential properties more than \$300,000 were assessed and that condos were assessed at a lower rate. Peter Finley Fry clarified that a million-dollar homeowner would pay the same as a 300,000 homeowner. Riley said that was the case. Simon Tomkinson noted that for a homeowner buying a house between \$300,000-\$400,000, to be assessed an additional 2% is inappropriate.

Paul Scarlett asked if the charges were geographic or across the board. Rick Michaelson asked if the Bureau published a list of projects like the Transportation bureau does. Riley Whitcomb replied that the changes were across the board and that it was not possible to list the potential acquisitions prior to them being purchased. Bonny McKnight thought it would be a good time with the Portland Plan and the Urban Forum to assess the impact of infill development on the Parks.

Greg Theisen noted that this community (DRAC) was not sold on the proposed program, and that a message should be conveyed to the Director and the Commissioner-in-Charge. He thought the group would probably support the increase but the current package was inadequate in terms of the analysis and the structure. Parks staff Elizabeth Kennedy-Wong explained that the Bureau know where they want to have parks and that SDCs are based on growth vs. the acquisition of parks which is opportunistic unlike the Transportation SDC.

Simon Tomkinson noted that cost recovery is a key issue for DRAC, and to commingle cost recovery through SDCs is a fallacy. He saw a missed opportunity with no incentives to encourage people to do the right thing in terms of green building and reducing carbon emissions. For example, if you build to LEED Gold or Platinum you would see a reduction in your SDCs since the community will benefit in the long term. Rick Michaelson suggested that DRAC should convene a subcommittee to examine the SDCs from a systems standpoint. Simon Tomkinson agreed.

Early Assessment Appointment Update

Land Use Services Division Manager Rebecca Esau distributed and reviewed *Follow-up to DRAC: Early Assistance Appointments*. Rick Michaelson asked if the applicant was paying the fee for the early assistance meeting and the pre application conference. Rebecca Esau noted that most applicants did not do both of these meetings. BES staff

Lana Danaher supported the idea of crediting the \$408 Early Assessment fee to the permit when the applicant is ready to move forward. Simon Tomkinson supported that incentive. Paul Scarlett commented that he was not sure about an entire credit. Don Geddes supported the idea of "pay now or pay later." Rick Michaelson added that if he knew he would get \$200 of the \$400 back, he would be more inclined to schedule an appointment. Transportation staff Kurt Krueger added that he wants more people to come in early since it benefits everyone. Rebecca Esau agreed to come back in a few quarters to update the DRAC.

Green Building Subcommittee Update

Kathi Futornik reviewed the work of the subcommittee to date. The group convened in February of this year and has been meeting every two weeks to discuss how to reduce greenhouse gases from buildings, since they emit more gases than cars do. DRAC members on the subcommittee are: Dennis Wilde (subcommittee chair), Alan Beard, Charlie Grist, Steve Heiteen, Simon Tomkinson, and Kathi Futornik. PDC, Earth Advantage, Metro, HBA, Bureau of Planning, Office of Sustainable Development and BDS have also been participating in the group. The Subcommittee will bring a comprehensive package to the November DRAC meeting for review and adoption. OSD staff Peter Hurley added that OSD is excited to have the DRAC report and recommendations complement the regulatory work that OSD will be recommending to Council at the beginning of the year.

Impact Assessment Subcommittee Report

Subcommittee Chair Thomasina Gabriele distributed and reviewed the subcommittee report and Impact Assessment Game. The subcommittee has been meeting for over a year every few months to assess the impact assessment process and develop recommendation to enhance the process. DRAC members included Simon Tomkinson and Bonny McKnight. BOP staff Betsy Ames noted that it was nice to have DRAC broaden the impact assessment process to be used in other venues. Paul Scarlett thanked BOP staff graphic designer Christine Raines for laying out the game board. Simon Tomkinson commented that the game invites people into the process and can assist them with navigating the City processes. Members agreed to review the report and game so they can be adopted at the November meeting.

DRAC Meeting, Thursday, November 8th, 2007 7:30-9:00 a.m.