



City of
PORTLAND, OREGON

Development Review Advisory Committee

Development Review Advisory Committee
MINUTES
Thursday, January 8, 2009

Attendees:

DRAC Members Present:

Steve Heiteen	Rick Michelson	Tom Skaar
Alan Beard	Goudarz Eghtedari	Carrie Schilling
Greg Theisen	Kathi Futornick	Dennis Wilde
Don Geddes	Charlie Grist	Simon Tomkinson
Bonny McKnight	John Cisneros	Michele Rudd

City Staff Present:

Alisa Cour, BDS	Anne Hill, BDS	Andy Peterson, BDS
Jim Nicks, BDS	Denise Kleim, BDS	Paul Scarlett, BDS
Rebecca Esau, BDS	Ross Caron, BDS	Hank McDonald, BDS
Kurt Krueger, PDOT	Eric Engstrom, BPS	Christine Leon, PDOT
Kasandra Griffin, Parks	Nora Mullane, BDS	Cindy Dietz, Water
Lana Danaher, BES	Darrell Kipper, Water	Alisa Kane, BPS
Celia Heron, BPS	Ross Turkus, BDS	

Commissioner Randy Leonard
Sara Petrocine, Staff, Commissioner Leonard
Tom Bizeau, Staff, Commissioner Fritz

Guests

Jeff Fish, Fish Construction	Susan Steward, BOMA
Kevin Skille, GBD Architects	Ed McNamara, Turtle Island Development, LLC
Renee Loveland, Gerding Edlen	Justin Patterson, Hoffman Construction

DRAC Members Absent:

Jeff Perala

Handouts

12.11.08 DRAC Minutes
Inter-Bureau Code Change Project List
BDS Director's Budget Direction
BDS Major Workload Parameters and Financial Update—1-5-09
Bureau of Planning—FY 2008-09 Budget Overview

Convene Meeting

Chair Simon Tomkinson convened the meeting and the DRAC adopted the December 12, 2008 meeting minutes. The Chair invited members to review the meeting packet materials which included January's updated *Inter-Bureau Code Change Project List*.

The Chair announced that it as it was the first meeting of the calendar year, it was time to elect a new DRAC Chair and Vice Chair. The terms are for one year. He opened the floor to nominations. DRAC member Don Geddes nominated current DRAC Vice Chair Steve Heiteen to be Chair and DRAC member Carrie Schilling to be Vice Chair. Steve Heiteen and Carrie Schilling accepted the nomination. DRAC members voted unanimously in favor of Steve Heiteen, DRAC Chair and Carrie Schilling, DRAC Vice Chair.

DRAC Chair Steve Heiteen thanked Simon Tomkinson for his leadership over the past two years as the DRAC Chair. He invited meeting attendees to introduce themselves and say who they were affiliated with.

Kevin Skille (GBD Architects), Renee Loveland (Gerding Edlen), and Jeff Fish (Fish Construction) attended the meeting as incoming DRAC members pending Council Approval. Their terms begin at the end of January, 2009.

Director's Report

BDS Director Paul Scarlett thanked Simon Tomkinson for his time as DRAC Chair. He noted that Simon's knowledge and commitment to small business is admirable. The DRAC is a great example of the BDS' commitment to providing good services that are efficient and relevant to our customers. Paul congratulated Simon for his collaborative approach to chairing the DRAC for two years.

Consolidated Development Review

BDS Director Paul Scarlett updated the DRAC on Mayor Sam Adams' recent announcement that the City will replace the current permit review system that can involve as many as seven different city bureaus, with a system where all permitting processes are administered by the BDS. The City Council passed a resolution directing BDS to begin this process. BDS Permitting Services Manager Andy Peterson is leading this effort comprised of city staff and members of the development community and neighborhood associations.

BDS Small Business Program

Paul Scarlett invited Customer Services Manager Alisa Cour to update DRAC on new developments serving the Small Business community. For the past five years, BDS staff Suzanne Vara has served as the BDS' Small Business Liaison. She will retire on January 30, 2009. Suzanne's support for and unique understanding of the complexity of small business has led to a productive partnership between the bureau and the small business community that BDS will continue. BDS recognizes the vital role that small businesses play in our city and that helping them grow and flourish is critical to the city's economic success. It is for these reasons that BDS has developed the *Small Business Assistance Team*. *The team will work with small businesses to develop and expand in the City of Portland, with focused assistance.* Led Mikal Shabazz as the Small Business Liaison, the team will incorporate technical staff to provide services related to planning, zoning, life safety review and inspections.

DRAC member Simon Tomkinson said that Suzanne Vara has been amazing working with the small business community during the last few years.

BDS Workload and Finances

Paul Scarlett distributed and reviewed *Director's Budget Direction* handout with the Committee. He reported that the Bureau continues to experience a major slowdown in workload and revenues and is adjusting accordingly by continuing to hold positions vacant, reducing overtime usage, encouraging the use of Excused Time and reduced schedules, reducing supply purchases, and exploring re-negotiating contracts for certain support and services. Commissioner Leonard has been hosting meetings with the unions (DCTU and COPPEA) and BDS management to discuss the challenges and solutions to the current economic climate. The Bureau is currently at 90% cost recovery which cannot be sustained at this pace for much longer.

Title 29

Paul Scarlett updated the Committee on the proposed Title 29 changes to the city code that were brought to the DRAC last fall. As directed by DRAC, BDS staff followed up with members of the Small Business Advisory Committee (SBAC) and the Building Owners and Managers Association (BOMA). After a series of meetings with both organizations and a number of drafts, the proposed changes are scheduled to be heard at council the week of January 15th with the support of both SBAC and BOMA.

BDS Budget Update

BDS Administrative Services Manager Denise Kleim said the BDS budget process is wrapping up. The budget is due February 2, 2009 with both 2.5% and 5% budget reductions as required by Mayor Adams. BDS has met those reductions by holding vacant, close to 40 positions. She distributed and reviewed *Major Workload Parameters and Financial Update* with the Committee. The workload indicator numbers are continuing in a downturn. DRAC member Tom Skaar asked what numbers are being used for future growth projections. Denise Kleim explained that the Bureau is seeing a 30% decrease in building plan review revenues in FY 08-09. She invited the DRAC to provide feedback on revenue projections based on what they are seeing in the industry. DRAC member Don Geddes suggested that the Bureau projections should be flat for next year. DRAC member Tom Skaar added maybe even a further decrease. DRAC member Dennis Wilde noted that no matter how big or small your company is right now, no one can get financing. He suggested projecting an additional 10% decrease FY 09-10 could be realistic. DRAC members Carrie Schilling and Simon Tomkinson agreed with Dennis. Tom Skaar suggested that when the Land Use Services Division began to see an increase in cases and final plats that would indicate that recovery had begun. DRAC member Simon Tomkinson encouraged the Bureau to look at taking necessary measures to stretch the reserves versus spending down to the absolute minimum, since there is a strong possibility that the recovery is still quite away out. DRAC member Charlie Grist asked if there was a downside to projecting too low. Denise Kleim explained that the majority of the budget is staff, so finding the balance between cut backs and service levels is the key. DRAC member Simon Tomkinson suggested that the service levels might need to be adjusted to accommodate the current climate. DRAC member Bonny McKnight asked how lay offs worked. Denise Kleim noted that the labor contracts dictate how layoffs are implemented, and it is done by seniority. Incoming DRAC member Jeff Fish explained that during the recession in the 80's, you could borrow money, it was just very expensive. In this climate no one is lending money. Another difference is that currently the public have lost their assets in terms of decreases in their 401ks which did not happen in the 80's. Until the public see some recovery they won't buy.

Bureau of Planning and Sustainability (BPS) Budget Update

BPS Staff Eric Engstrom explained that with Mayor Adams' direction the Council passed a resolution to merge the Bureau of Planning with the Office of Sustainable Development and call the new organization the Bureau of Planning and Sustainability (BPS). The Office of Sustainable Development Director Susan Anderson is the new Bureau Director. There is a transition team in place working on merger issues. In 45 days a BPS budget and organizational chart will be produced. The next phase will be to spend through June, 2009 further integrating the two bureau's current budgets and refining the organization in terms of work groups and assignments. FY 09-10 BPS will develop a strategic plan.

BPS staff Celia Heron distributed and reviewed the *Bureau of Planning FY 08-09 Budget Overview* with the Committee. DRAC member Tom Skaar asked if the Bureau anticipated the one time funding being replaced with more one time funding. Celia Heron explained that the Bureau was looking at all of the Core Projects that are funded with permanent funding versus the one time funded projects to see if they need to be re prioritized and moved from one column to the other. DRAC member Simon Tomkinson asked how the tasks of long range planning actually become the core work of the Bureau. Eric Engstrom suggested that the realignment Celia spoke of might do just that in terms of shifting the priorities. DRAC member Bonny McKnight agreed that if we can plan to sustain what we build and develop, in the need that is more beneficial to the citizens of Portland. DRAC member Kathi Futornick noted her concern in seeing that over ½ of the Bureau's staff is funded with one time funding.

Celebration and Appreciation of Departing DRAC Members

Commissioner Leonard honored DRAC members Alan Beard, Thomasina Gabriele, Tom Skaar, and Dennis Wilde for 10 years of Service to the City of Portland. Director Paul Scarlett congratulated and thanked them for their commitment and support. DRAC members Simon Tomkinson, Bonny McKnight, Kathi Futornick and Charlie Grist each said a few words about the honorees.

Commissioner Leonard Update

Commissioner Leonard updated the Committee on the Permit Consolidation initiative he was asked to lead by Mayor Adams. His intent is to pull the development and permitting functions out of the individual development bureaus and consolidate them under BDS. That will impact the seven entities that issue permits in the City. The simple outcome is to have everything in one place at the 1900 Building. To address the concerns that there might be an erosion of environmental regulations, Commissioner Leonard asked representatives of the Audubon Society to sit on the Oversight Committee. DRAC member Dennis Wilde said he was very excited about this initiative. DRAC member Simon Tomkinson commented that he was encouraged that Blueprint 2000 is still alive and being implemented. DRAC Member Tom Skaar said he had been dreaming and begging for this to happen for years.

DRAC Meeting, Thursday February 12, 2009—7:30-9:00 a.m.

Minutes prepared by Anne Hill—January 12th, 2009