



City of  
**PORTLAND, OREGON**

Development Review Advisory Committee

**Development Review Advisory Committee**  
**MINUTES**  
**Thursday, May 13, 2010**

**Attendees:**

**DRAC Members Present:**

Jeff Fish	Don Geddes	Steve Heiteen
Bonny McKnight	Ed McNamara	Rick Michaelson
Michele Rudd	Keith Skille	Greg Theisen

**City Staff Present:**

Ross Caron, BDS	Lana Danaher, BES	Cindy Dietz, Water
Eric Engstrom, BPS	Rebecca Esau, BDS	Mark Feters, BDS
Roberta Jortner, BPS	Denise Kleim, BDS	Kurt Krueger, PBOT
Jim Nicks, BDS	Kareen Perkins, BDS	Andy Peterson, BDS
Paul Scarlett, BDS	Morgan Tracy, BPS	Riley Whitcomb, Parks

**DRAC Members Absent:**

Goudarz Eghtedari	Charlie Grist	Renee Loveland
Carrie Schilling	Simon Tomkinson	

**Handouts**

- DRAC Meeting Minutes: 01.14.10, 01.28.10, 03.11.10, & 04.08.10
- Inter-Bureau Code Change Project List
- BDS Major Workload Parameters
- Non-Cumulative Cost Recovery Rate Report
- DRAC Work Plan 6/1/09 – 6/30/10
- 5/11/10 Citywide Tree Project Memo
- BES Fee Increase Ordinance and Exhibits
- BES Notes on Fee Increases
- Exhibit A – Transportation Fee Schedule
- Parks SDC Fee Adjustments July 2010

## **Convene Meeting**

DRAC Chair Steve Heiteen convened the meeting. Minutes from the 1/14/10, 1/28/10, 3/11/10, and 4/8/10 DRAC meetings were approved unanimously. The Chair invited members to review the meeting packet materials.

## **Director's Report**

### BDS Financial Update

BDS Director Paul Scarlett provided an update on the bureau's financial status. Cost recovery continues to be a major issue for BDS, though in April 2010 the rate was over 100% (the first time in a year), primarily due to one \$700,000 project. The bureau does not expect large projects to increase in the near future. For the last several months cost recovery has been an average of \$150,000 short each month. This cannot be sustained, so BDS will be eliminating an additional 17 positions, most by the end of May. Two of the individuals have resigned, meaning that 15 people will be laid off. Positions to be eliminated are throughout the bureau and include management as well as line staff. There will likely be impacts to services; the bureau will provide more information on service impacts as it becomes available. There will be some bumping of staff from the layoffs, internally and possibly to other bureaus.

In light of the reductions, the bureau's structure is changing from 5 divisions to 4. The Site Development Division is being dissolved, with its sections moving to other divisions. As required by contract, the unions have been notified and have 14 days to request to bargain over the changes.

### Proposed Fee Increases

The bureau's proposed fee increases are scheduled to go before Council on Wednesday, May 19th, at 10:30 a.m. (time-certain). The bureau is proposing increases of 8% for most programs (Environmental Soils will increase by 12%). Bureau managers have been meeting with industry groups and stakeholders about the increases. If the fee increases are not approved, it is likely that further staff cuts will be needed. If approved, the fees will go into effect on July 1<sup>st</sup>.

Director Scarlett asked if the DRAC would provide a letter of support for the fee increases to be taken to Council. After brief discussion, DRAC members unanimously approved writing a letter to City Council in support of BDS's fee increases.

The Mayor released his budget decisions last Friday, and BDS's requests for additional General Fund support for NIT, LUS, and adding staff were not approved. The Mayor did approve a \$5.2 million loan to BDS for its Technology Initiative. The funds cannot be used for other expenses beyond the project.

### Other

BDS Site Services Manager Ross Caron said that on May 19<sup>th</sup> Council will hear an ordinance that proposes changes to the City's Property Maintenance Code. The changes would allow BDS to assess monthly penalties for nuisance violations, providing a mechanism to achieve compliance in situations where the bureau does not have funds to abate the nuisance. BDS is also asking that the Sign Code be changed to allow for monthly Code Enforcement Fees. The changes include authorization to use alternative lien collection methods.

Concern was expressed that these changes were not discussed and reviewed by the DRAC, and that the changes will adversely impact low-income property owners. Mr. Caron described the bureau's waiver program and its effectiveness in identifying cases where waivers would be appropriate. The changes will create consistency between nuisance, housing, and other enforcement mechanisms, and will give the bureau more options for achieving compliance with limited resources.

BDS Director Paul Scarlett reviewed the handouts *BDS Major Workload Parameters* and *Non-Cumulative Cost Recovery Rate Report*.

#### Introduction of SBAC Liaison Tracy Spencer

Director Scarlett introduced Tracy Spencer from the Development Services Section. She is BDS's representative to the City's Small Business Advisory Council (SBAC). She will act as the SBAC's liaison to the DRAC in order to facilitate better communication between the two groups.

#### **Private Street Administrative Rule Discussion / Q & A**

Eric Engstrom from BPS and Kim Tallant from BDS gave an overview of the Private Street Administrative Rule and an update on its status. A public workshop on the rule will be held on May 18th from 7:30 - 9:30 a.m. in Room 7A in the 1900 Building.

#### **Citywide Tree Project Regulatory Improvement Update**

Roberta Jortner from BPS gave an update on the status of the project, which is currently in the midst of a public hearing process. The primary driver for the project is a desire to centralize and simplify the currently diffuse regulations in various City Codes related to trees. The key feedback to the commissions thus far has been:

- Tree preservation and planting are important;
- Regulations need to be sufficient but not onerous;
- Concern exists for the preservation of large trees;
- There is concern regarding the impact of the proposal on development, infill, and density.

There is definite support for a "single point of contact" for trees. The next Planning Commission meeting is on June 8<sup>th</sup>, and the Forestry Commission meets on June 17<sup>th</sup>. Updated information will be posted on the project website this week or next. BPS expects to go before Council for hearings in the fall. Implementation would be in phases over time.

Morgan Tracy from BPS addressed tree preservation on developable lots. The focus is changing from the numbers of trees preserved to the quality of the trees. They are studying ways to introduce tree preservation into the land use review process without elevating it to a higher status than other elements of the review. There is a move to exempt small lots (under 3,000 sf) and lots with 90% or more building coverage from the tree preservation standards. Basically, 35% of trees need to be preserved; if the developer goes below that limit, they have to either replace trees two or one or pay additional fees. The applicant decides whether they want to preserve, plant, or pay.

DRAC Member Greg Thiesen noted the substantive comments on the tree project made by BDS, and asked the DRAC to consider asking BPS to provide a written response to those comments. He expressed concern that BDS is going through staff cuts while this expensive project is being considered. DRAC Member Michelle Rudd said that the Planning Commission is aware of this and has that dynamic in mind in their discussions. Mr. Thiesen asked if the DRAC should send a message to Council that steps need to be taken to decrease the burden on BDS (both in costs and providing services) and to reduce costs overall. Director Scarlett said the bureau is supportive of the tree proposal, but has been communicating clearly that BDS cannot take on additional costs.

DRAC members expressed support for the importance and value of trees to the community. There was concern that saving dollars today by not proceeding with tree management may lead to greater costs in the future. Some members also felt that there may be other ways to preserve and improve the tree canopy that will not create as much of a burden on development.

### **BES Fee Increases**

Lana Danaher (BES) distributed and reviewed *BES's Fee Increase Ordinance and Exhibits and Notes on Fee Increases*. SDC fees will increase by 6.6%. BES and other development bureaus are working on restructuring the land use review fees to make them simpler.

### **Other Business**

Cindy Dietz (Water) briefly described Water Bureau's fee proposal. They are proposing to reduce their SDC fees by 5%, and are reducing some other types of fees. Some fees will be increasing. Andy Peterson from BDS briefly described PBOT's fee increases, and Kurt Krueger (PBOT) distributed the handout *Exhibit A – Transportation Fee Schedule*. Riley Whitcomb (Parks) distributed the handout *Parks SDC Fee Adjustments July 2010* describing their SDC fee changes.

Mr. Heiteen encouraged DRAC members to review the handout *DRAC Work Plan 6/1/09 – 6/30/10* and be prepared to discuss it at next month's meeting.

**Next DRAC Meeting: Thursday, June 10, 2010, 7:30-9:00 a.m.**

Minutes prepared by Mark Feters, BDS