



City of
PORTLAND, OREGON

Development Review Advisory Committee

Development Review Advisory Committee
MINUTES
Thursday, September 18, 2014

DRAC Members Present:

Claire Carder	Hermann Colas	Phil Damiano
Maxine Fitzpatrick	Steve Heiteen	Rob Humphrey
Maryhelen Kincaid	Chris Kopca	Kirk Olsen
Michelle Rudd	Joe Schneider	

City Staff Present:

Mike Abbati, Parks	Fred Deis, BDS	Rebecca Esau, BDS
Mark Fetters, BDS	Mike Hayakawa, BDS	Casey Jogerst, Parks
Mieke Keenan, BDS	Dora Perry, Comm. Fritz's Office	Andy Peterson, BDS
Elizabeth Reese Cadigan, BES	Deborah Sievert Morris, BDS	
Greg Supriano, BDS	Riley Whitcomb, Parks	Shawn Wood, BPS

DRAC Members Absent:

Jeff Fish	Dave Humber	Keith Jones
Dana Krawczuk		

Guests Present:

Janet Baker, Beaumont-Wilshire Neighborhood Association
Nick Danigan, Portland Development Group
John Hasenberg, Oregon Remodelers Association
Kimberly Koehler, Eastmoreland Neighborhood Association
Sara Long
David Martin, Bridlemile Neighborhood Association
Mitch Powell, The Powell Group

Handouts

- DRAC Meeting Minutes 7/17/14
- Inter-Bureau Code Change List
- Non-Cumulative Cost Recovery Report
- BDS Major Workload Parameters
- DRAC Demolition Subcommittee 8/26/14 Meeting Summary
- DRAC Demolition Subcommittee 9/12/14 Meeting Agenda
- BDS Budget Strategy & Planning Process

Convene Meeting

DRAC Vice Chair Maryhelen Kincaid convened the meeting and welcomed DRAC members and guests. DRAC members reviewed and approved the July 2014 DRAC meeting minutes.

BDS Director Paul Scarlett referenced the second page of the DRAC agenda containing member names and term ending dates, and noted that a few members will complete their second terms in January 2015. BDS will advertise those impending vacancies. Mr. Scarlett encouraged DRAC members to continue referring people interested in applying for DRAC membership to Mark Feters (BDS). He noted that in filling DRAC positions, the bureau wants to make sure that the membership is diverse, taking into account underrepresented demographics.

Mr. Scarlett noted that attendance at DRAC meetings has recently improved, and he expressed appreciation to DRAC members for the change.

Director's Report

Mr. Scarlett reviewed the handouts *Non-Cumulative Cost Recovery Report* and *BDS Major Workload Parameters*. Cost recovery continues to be well over 100%, and workload measures remain high. The bureau is filling vacant positions and will be adding more staff in order to meet service level goals. BDS met with its Financial Advisory Committee two days ago to discuss economic trends and the development industry.

DRAC Member Chris Kopca asked about the bureau's reserve target in the *Non-Cumulative Cost Recovery Report*. BDS's overall reserve goal is set at 30% of annual expenditures. Currently, the reserve goal is \$13.6 million, while actual reserves are over \$36 million. However, close to \$12 million of the current reserves are dedicated to the Information Technology Advancement Project (ITAP).

There have been some delays with ITAP, and the project is now being managed more aggressively in order to address this. The project is under budget at the moment, and the vendor (Sierra Systems) has committed to increasing resources in order to catch up. Media reports regarding ITAP have been negative, but have also contained inaccuracies.

Mr. Scarlett reminded DRAC members that BDS is conducting customer and community surveys this year, for the first time since 2008. Greg Supriano (BDS Survey Manager) said that the surveys had been conducted over the past four weeks with 750 permit customers and over 100 responses to the online community survey. BDS will be working on analysis of the survey data over the next 4-6 weeks with the Davis, Hibbits, & Midghall Research, the firm that conducted the survey.

DRAC Member Steve Heiteen discussed the percentage of BDS employees who are or will be eligible to retire in the next few years, and encouraged the bureau to communicate with employees about the timing of their retirement, in order to do succession planning.

Demolition Subcommittee Report

Ms. Kincaid introduced Nancy Thorington (BDS), who provides staff support for the DRAC Demolition Subcommittee, and expressed appreciation for the members of the Demolition Subcommittee and their work. She noted the the Neighborhood Associations have given input and feedback that has been helpful.

Ms. Thorington said that at the end of July, the City Council directed BDS to expand the subcommittee to include members of the Design Commission and the Historic Landmarks Commission. Ms. Thorington has also gone to a couple of Neighborhood Association meetings to discuss demolitions with them. She reviewed the handouts *DRAC Demolition Subcommittee 8/26 Meeting Summary* and *DRAC Demolition Subcommittee 9/12/14 Meeting Agenda*.

A follow-up subcommittee meeting will be scheduled to focus on the definition of "demolition" and delineating demolitions from major remodels.

Mr. Scarlett noted that the subcommittee's recommendation is that the 35-day delay and notice requirements apply to all single-family demolitions. The subcommittee will also address partial vs. full demolitions. The recommendation includes houses only – not garages or other accessory structures. Sara Long (guest) asked whether duplexes will be included; Andy Peterson (BDS) said it depends on the property zoning.

In response to a question from John Hasenberg (ORA), it was clarified that an applicant will be able to apply for a new single-family residence (NSFR) permit for 1-for-1 replacement at the same time the demolition permit is issued. Mr. Heiteen said the subcommittee is still working on the mechanisms for the 120-day requirement. There has been a balance between the development community and the neighborhoods in the recommendations.

In response to a question from Ms. Long, it was clarified that notice of a demolition will be provided 30 days before the demolition takes place.

Mr. Kopca said that the 120-day period seems long, and presents a challenge for developers – it ties up the property for up to 6 months and could cause some projects to miss the construction season. Ms. Thorington said that this issue is still being worked on. There are steps in the process to make sure that progress is being made – checkpoints along the way. DRAC Member Rob Humphrey said that this is the reason for the subcommittee, and that right now a demolition can be delayed without any requirements being met.

Kimberly Koehler (Eastmoreland Neighborhood Association) said that the Eastmoreland NA supports making it tougher to apply for the 120-day delay. But she questioned whether there will be a balance to make sure that builders can't sidestep the process. She cited a recent example of a builder who was planning to demolish a home and replace it with two houses; when a 120-day delay was filed, the builder changed the application to show replacement with just one house, obviating the delay. She asked application for the 120-day delay would be made. Ms. Thorington said application would be made during the 35-day delay window, which currently doesn't apply to 1-

for-1 demolitions. Mr. Humphrey said that the subcommittee is making sure that the loophole cited by Ms. Koehler goes away.

Mr. Heiteen said that there is trepidation on the builders' side of the issue, since the building community is opening itself up to a lot of potential 120-day delays being filed.

It was noted that subcommittee meetings are open to the public, though though they have not been announced as public meetings.

2014 Fall Budget Monitoring Process (BuMP)

Deborah Sievert Morris (BDS) reviewed the handout *Budget Strategy & Planning Process* and described the methods available to bureaus to add staff positions. Due to the length of the annual budget process and how long it takes to hire and train new staff, BDS has begun to use City Budget Monitoring Processes (BuMPs) to add staff more quickly.

BDS will propose adding approximately 20 positions in the 2014 Fall BuMP at the end of September. The request is still being worked on, so a detailed breakdown of the positions will be available at the October DRAC meeting.

Mr. Scarlett said that in developing the BuMP request, BDS has used some of the same processes used to develop the bureau's annual budget request – employee input and stakeholder review, including the DRAC and the BDS Finance Committee.

Urban Forestry Fee Schedule

Parks Bureau Director Mike Abbati discussed the upcoming Citywide Tree Code and its implementation.

Mieke Keenan (BDS) reviewed the handout *Proposed Draft Tree Review Fee Schedule* and noted that the Tree Code will go into effect January 1, 2015. Staff plans to take the Tree Code fee schedule to City Council in mid-November, and they want feedback from the DRAC. A few of the inspection fees won't go into effect until July 2015 (as noted in the handout).

Appeals of fees would be heard by the Urban Forestry Commission. It was clarified that "Attaching Permanent Objects Application" is meant to address permanent street lights or decorative lights attached to City trees and trees in the public right-of-way.

Mr. Heiteen commented on some of the specific fees in the handout:

- Tree Removal Application – Mr. Heiteen said this \$25 fee doesn't cover the City's cost, which means other fees will be higher to compensate. Casey Jogerst (Urban Forestry) said this is still being discussed.
- Residential Remodel – Mr. Heiteen felt there should be no fee at all; some remodels are all internal and do not involve trees.
- Tree Preservation, Fee in Lieu – Mr. Heiteen questioned why this fee is \$1,200. Ms. Keenan said the fee is defined by the code, and reflects the cost of planting and maintaining a tree (typically at a school, park, or public right-of-way) for two years.

Discussion of the fee schedule clarified several points, including:

- There is no limit to the size of tree that can be cut down for \$1,200. This was heavily debated when the Tree Code was being written. The City does not want to prevent development on property by forbidding the removal of trees, or by making the cost of removing a large tree prohibitive.
- There is no option to avoid the \$1,200 fee by planting new trees. The priority is on preserving existing trees, then look at planting new. The more extensive the existing canopy, the fewer new trees that would need to be planted.
- For demolition permits, the Tree Code will require a tree preservation plan to be filed along with the demolition permit application.
- The protections for Heritage Trees are not changing.

Ms. Keenan pointed out a typo on the first page of the handout – the Tree Permit Violation Review fee should be \$250.

Mr. Kopca said that there are currently a number of trees in the city that aren't allowed by code, based on their species or location. He referenced a project of his where there were six trees that were prohibited by code; he wanted to remove the trees, but would have been fined if he did. He felt that since the trees shouldn't have been there in the first place, not allowing their removal worked against the City's policy. Mr. Abbati replied that even if a specific species of tree might not be allowed currently, a mature tree can provide benefits that a new tree cannot. He said there is value to the city in having lots of mature trees.

Other

Riley Whitcomb (Parks) said that a representative from the DRAC is needed for the Parks SDC Committee. The next committee meeting is next Thursday (September 25th). He anticipates 4 meetings between now and May 2015. The committee's purpose is to update the Parks SDC methodology.

Ms. Kincaid noted that City staff is working on including RICAP 7 amendments in the Code Change document distributed at DRAC monthly.

Mr. Humphrey asked that workspace on the 2nd floor for development customers be included as an agenda item at a future DRAC meeting; he said there is not enough space for customers to work on plans.

Next DRAC Meeting: Thursday, October 16, 2014, 8:00 a.m. - 9:30 a.m.

Minutes prepared by Mark Feters, BDS