



City of
PORTLAND, OREGON

Development Review Advisory Committee

Development Review Advisory Committee
MINUTES
Thursday, March 19, 2015

DRAC Members Present:

Claire Carder
Rob Humphrey
Dana Krawczuk
Kristin Wells

Hermann Colas
Maryhelen Kincaid
Jennifer Marsicek

Dave Humber
Chris Kopca
Kirk Olsen

City Staff Present:

Fred Deis, BDS
Mark Feters, BDS
Andy Peterson, BDS
Riley Whitcomb, Parks
Sandra Wood, BPS

Cindy Dietz, Water
Kurt Krueger, PBOT
Elizabeth Reese-Cadigan, BES
Christopher Wier, PBOT

Rebecca Esau, BDS
Barry Manning, BPS
Nancy Thorington, BDS
Sue Williams, BES

DRAC Members Absent:

Phil Damiano
Joe Schneider

Maxine Fitzpatrick

Keith Jones

Guests Present:

Jeff Fish, Fish Construction NW
Sara Long, United Neighborhoods for Reform
Susan Steward, Building Owners & Managers Association
John Hasenberg, Oregon Remodelers Association
Greg Theisen, Port of Portland
Mitch Powell, The Powell Group

Handouts

- Draft DRAC Meeting Minutes 2/19/15
- Inter-Bureau Code Change List
- Non-Cumulative Cost Recovery Report
- BDS Major Workload Parameters
- Draft DRAC Meeting Guidelines
- Parks SDC FAQs
- Mixed Use Zoning Project Draft Revised Zoning Concept
- Mixed Use Zones Project Draft Preliminary Zoning Concept
- Certification Regarding Asbestos and Lead-Based Paint

Convene Meeting

DRAC Chair Maryhelen Kincaid convened the meeting and welcomed DRAC members and guests. DRAC members reviewed and approved minutes from the February 19, 2015 DRAC meeting.

Ms. Kincaid explained that a DRAC member is needed to serve as the alternate DRAC representative for the Public Works Appeals Committee. Mark Feters (BDS) will send an email to all DRAC members announcing the need for an alternate representative.

Ms. Kincaid introduced Jennifer Marsicek as the newest DRAC member, filling the Design Professionals position. Ms. Marsicek has 17 years experience in the field, including several years with Scott Edwards Architecture. She has also served for many years as a community volunteer.

In addition, five current DRAC members were renewed for additional terms yesterday at City Council: Claire Carder, Phil Damiano, Dave Humber, Maryhelen Kincaid, and Dana Krawczuk. Ms. Kincaid stressed the importance of regular attendance at DRAC meetings by all DRAC members.

Ms. Kincaid referenced the handout **Draft DRAC Meeting Guidelines**. She asked DRAC members to review the document and get feedback to Mr. Feters.

Guest Sara Long made a video recording of the meeting.

Director's Report

Mr. Scarlett reviewed the handouts **Non-Cumulative Cost Recovery Report** and **BDS Major Workload Parameters** and provided an update on the bureau's work and finances. Revenues and workload continue to be strong.

BDS Finance staff is working on new financial reserve goals and a financial contingency plan; more details will be available to share at the April DRAC meeting. DRAC member Chris Kopca said that BDS financial reserves are substantive, that he is interested in seeing the new reserve goals and contingency policy, and that BDS may need to look at its fee structure. Mr. Scarlett replied that the bureau looks at its fee structure annually, and chose to not raise fees for fiscal years (FY) 2014-15 and 2015-16. Fees will be examined again for FY 2016-17 to see if they can be reduced. He said that BDS is also factoring in longer range financial projections, which indicate a financial slowdown in a couple years.

Because of the bureau's growing workload and the challenges in quickly hiring staff, BDS is asking City Council for authorization to move 19.5 new fee-supported positions from the bureau's FY 2015-16 Requested Budget to the current fiscal year (FY 2014-15) through the City's Spring 2015 Budget Monitoring Process (BuMP). Adding the positions through the Spring BuMP means the bureau will be able to start filling them in May, rather than waiting for the start of the new fiscal year on July 1st.

In addition, the bureau has continued to analyze its workload and has identified additional fee-supported positions (approximately 12) that will be needed (beyond the 19.5 mentioned above). These positions will also be included in the Spring BuMP request. More information will be available at the April DRAC meeting. BDS will also be meeting with its Budget Advisory Committee to discuss these staff additions.

In its FY 2015-16 Requested Budget, BDS also requested one-time General Fund support for 6 positions in the Neighborhood Inspections and Land Use Services programs. The City Budget Office has expressed support for adding the positions, but has recommended that the bureau fund them from internal resources, rather than the General Fund. The bureau will continue to press for General Fund support for these positions, since the work they will perform benefits the entire community. The Mayor may do something different with his Proposed Budget. If the bureau doesn't receive General Fund support for the positions, they cannot be funded through permit fees.

BDS will make its FY 2015-16 Requested Budget presentation to City Council on March 30th. DRAC Vice Chair Rob Humphrey will attend the presentation to express the DRAC's support for the bureau's budget requests.

Parks SDC Update

Riley Whitcomb (Parks) distributed the handout **Parks SDC FAQs** and discussed the methodology and process behind the proposed changes to Parks SDC fees. The handout is also available on the Parks website at <http://www.portlandoregon.gov/parks/article/523731>. He noted that non-Central City rates are higher than the Central City due to higher occupancies.

The Parks SDC Task Force was supportive of the new methodology and felt it was needed to move the parks system forward, but some were uncomfortable with the amounts of the fees. The SDC Methodology report can be downloaded from the Parks website at <http://www.portlandoregon.gov/parks/article/520092>.

Guest Jeff Fish felt that rates should be higher in the Central City than outside it because units downtown would have less access to a park than homes further out. Mr. Whitcomb said that fees are not driven by what park space is available.

Mr. Kopca said that he doesn't debate the methodology, but he does debate the need to get to 100% cost recovery. Parks is asking people to pay for another Forest Park, which is not going to be duplicated. The target isn't right; Parks is trying to perpetuate what's been done for the last 100 years. The market and the community have changed. A lot of people are frustrated by the approach and the resulting fees.

DRAC Member Kristin Wells asked whether Parks has looked at this through an equity lens. Charging more for SDCs has a detrimental impact on low-income housing developers. Mr. Whitcomb replied that affordable housing is exempt from SDCs.

DRAC Member Kirk Olsen said that a lot of developers have issues with the methodology. There is a distinction between replacement value and investment. 63% of the replacement value calculated by Parks is based on land, but Parks has said it's not going to buy more land. Also, Parks has been studying this for 28 months, and now wants the proposal to go into effect in 3 months. There isn't sufficient time for public review and comment.

DRAC Member Dana Krawczuk said the number one issue is that if there is going to be an increase, there needs to be time to absorb it. She suggested that the DRAC send a letter to City Council on the Parks proposal. After discussion, Ms. Krawczuk volunteered to draft a letter for review by DRAC members.

Public Works Fees

Christopher Wier (PBOT) gave brief overview of the methodology behind the development of Public Works fees. They want to change the methodology from cost recovery to creating predictability for applicants. A survey was sent to a number of people who have gone through the Public Works process in the last few years, and based on the results, PBOT will take an ordinance to City Council in May 2015 for the authority to draft administrative rules. They will then write rules making the methodology change.

Mr. Wier said that fees will be reviewed and adjusted annually based on changes in labor costs. He will send the survey results and ordinance to Mr. Fetters for distribution to DRAC members.

Mr. Humphrey asked about staffing and timelines for Public Works permits. Mr. Wier said they have added 0.5 FTE (bringing total FTE to 3.0) and don't see a need for an increase at this point.

Mixed Use Zones Project

Sandra Wood (BPS) briefly described the status of the City's Comprehensive Plan and explained how the Mixed Use Zones Project fits within the Comp Plan. Barry Manning (BPS) then gave a PowerPoint presentation on the Mixed Use Zones Project and distributed the handouts **Mixed Use Zones Project Draft Preliminary Zoning Concept** and **Mixed Use Zoning Project Draft Revised Zoning Concept**.

Mr. Manning encouraged DRAC members to contact him with questions. Ms. Kincaid said she would like to have Mr. Manning back for the April DRAC meeting to allow time for more discussion.

Demolition Implementation Update

Nancy Thorington (BDS) said that the go-live date for the demolition ordinance is April 20, 2015. The demolition webpage (<http://www.portlandoregon.gov/bds/65139>) has a description of the code changes.

Ms. Thorington distributed and reviewed the handout **Certification Regarding Asbestos and Lead-Based Paint**. The Demolition Subcommittee worked with a number of local, state, and federal agencies to develop the document. City Council had tasked the Subcommittee with producing a proposal for handling asbestos and lead-based paint in demolitions within 90 days. The draft is currently under review; it relies on demolition contractors to self-certify that they have addressed asbestos and lead-based paint issues. The self-certification form would be given to the applicant when they apply for the demolition permit. Mr. Fish said that the form will provide education and accountability for contractors.

Ms. Kincaid said that the proposal reflected good work by all the participants. There is buy-in from the Home Builders Association, and it will protect neighbors from hazardous materials.

The draft proposal has been reviewed by the Mayor's Office and Commissioner Fritz's Office.

**Next DRAC Meeting:
Thursday, April 16, 2015**

Minutes prepared by Mark Fetters, BDS