



City of

# PORTLAND, OREGON

## Development Review Advisory Committee

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### **DRAC DEMOLITION SUBCOMMITTEE – POST ORDINANCE IMPLEMENTATION**

#### **MEETING NOTES**

**December 18, 2015**

**1:30 – 3:00 p.m., Room 4A**

**1900 SW Fourth Ave.**

**Portland, OR 97201**

<b>Time</b>	<b>Topic</b>	<b>Action</b>
1. 1:30 – 1:35	Introductions	Informational
2. 1:35 – 2:00	Mayor's Office/Commissioner Novick's Office	Informational
3. 2:00 – 2:20	Mike Molinaro's Presentation	Informational; Input & Recommendations
4. 2:20 – 2:55	Recommendations Based on Issues Raised in DRAC Letter	Input & Recommendations
5. 2:55 – 3:00	Follow-Up Meeting?	Input & Recommendations

#### **I. INTRODUCTIONS [Informational]**

In attendance: Nancy Thorington BDS, Maryhelen Kincaid DRAC Chair, John Hasenberg ORA, Constance Beaumont DLCD/Laurelhurst, Claire Carder DRAC, Brandon Spencer-Hartle Restore OR, Katie Shriver Commission Novick's Office, Carline Dao Historic Landmarks Commission, Al Ellis UNR, Mitch Nickolds BDS, Tim Morris BDS, Kareen Perkins BDS, Michael Molinaro EUL/SNA, Barbara Strunk UNR/BWNA, Terry Parker UNR, Paul Grove HBA, Elliot Akwai-Scott BDS, Emily Sandy BDS, Amy Kelly BDS

Nancy T. has handouts for tax demolitions and associated issues and meeting note from 12/11/15. Also, the letter to Mayor Hales.

Maryhelen announced to the group the Mayor is no longer considering a demolition tax. His office is, however, still interested in recommendations. Maryhelen suggested his office could support Mike Molinaro's project of identifying significant structures because, once a house has been identified, it can be saved.

#### **II. MAYOR'S OFFICE/COMMISSIONER NOVICK'S OFFICE [Informational]**

- a. Camille Trummer from Mayor's Office – update on Mayor's proposal
- b. Katie Shriver to discuss Commissioner Novick's proposal

Katie Shriver from the Commissioner Novick's office spoke. (Refer to handout.) She said the sales price of a house is not indicative of its value. The Commissioner looked at the tax, but didn't want to penalize middle-income housing through a tax. He wouldn't agree to the Mayor's proposal unless there was a threshold like density, rebate, etc.

#### **III. PRESENTATION BY MIKE MOLINARO [Informational; Input and Recommendations]**

**a. Presentation regarding identifying properties of significance in each neighborhood**

Mike Molinaro did a presentation. (See handout.) During the presentation he passed out a second data sheet with all the properties, pictures, etc. He proposed doing an inventory on King, Eastmooreland, Piedmont, and Multnomah neighborhoods.

John asked if the data from Mike is more for the neighborhood association, and Mike said yes.

Al asked Mike to define what a ULL is and asked about viability.

**IV. RECOMMENDATIONS BASED ON ISSUES RAISED IN DRAC LETTER TO COUNCIL [Input and Recommendations]**

**a. Review DRAC letter to City Council**

Maryhelen read the email to the group.

**b. Is there an epidemic? Review spreadsheet information.**

**c. What is needed to make an informed recommendation to address funds needed for affordable housing/Housing Investment Fund?**

Constance asked why the historic data is out of date. Caroline answered because it is expensive, in the millions to update. They have talked about a pilot project and hired a preservation officer.

Brandon said 1984 was the last inventory. In 1995 they encouraged inventory but there is no legal reason they would do the inventory. Owners have to consent to being put on the historic landmark list. He mentioned there have been conversations about a code to inventory property. Looking at inventory as a threshold for future properties.

Claire wanted to keep affordable housing on the table, and would like to see council committed to something that will work for “entry level housing.”

Barbara said she is opposed to houses being demolished for large, expensive homes. She said the new proposal would still have loopholes. There should be something that says you can't build a less expensive or more expensive house.

Terry has heard from neighborhoods that they are tired of “cramming houses.” For instance, putting two houses where one once was. When you put 2 houses is it taking away the setback and “park like setting.” Building 2 houses where one was makes it too tight for parking, and neighbors don't want more cars parked on the street. He asked if there could be a tax on splitting a lot. “Tax the land not the demolition.”

Jim B said the demo tax shouldn't relate to a lot value, but with the structure. Can there be a “reverse tax?” Consider geographic differences in new proposal.

Al has 2 recommendations: 1) to preserve viable homes; and 2) to discourage having an “out of scale” replacement house. He said the tax should be greater than 25,000; his group agreed 35,000 was a good number. He said there needs to be a viable disincentive. Al suggested the

developer would add the amount on to the sales price, and the market will determine if buyers would pay. He doesn't see that as a road block.

Maryhelen discussed the worksheet by Claire. She said that deconstruction should be in the equation. Make that a viable opportunity. Houses that are over 100 years old should require deconstruction. If the house is getting demolished, we should give the demolisher an incentive. Maryhelen's proposal: if you are demolishing a home have an opportunity to deconstruct and get a rebate.

Nancy said there are two parts to the 35 day demolition delay: 1) neighborhoods wanted a delay to try and save structures, which is tied to the appeal; 2) giving notice in advance so neighbors could protect themselves from demolition debris. People who represent the industry said the rebate isn't going to make a difference because it's too small.

It was suggested that the city should require deconstruction of all houses.

Jeff said to look at relocation as part of the assessment.

Jim said "you can't duplicate the original regrowth"

Al said the with mandatory deconstruction, the neighborhood association still needs 25 days to decide what to do with the houses.

John said that he was interested in a committee that would work to diminish the number of demolitions. There needs to be a way to write the rules. He doesn't think the tax will diminish the demolitions. He wanted the committee to focus on ideas to discourage demolitions.

Mitch N talked about a program called save a house make a home, which took house and relocated them to affordable housing. They did require grants, but it's good to incentivize.

Claire said that she supports John and the DRAC review implementation. She said we need a standing committee and an increase in diversity and ULL. The committee should be dedicated to keep viable housing.

Constance said she agreed with the new committee idea.

John stated we need to write rules and look at the long haul.

AL pointed out that we should look at what other cities are doing. Maybe we should look at San Francisco. There, developers have to show it's not a viable home; there are a lot of criteria that have to be met before demolishing. That is a progressive approach.

John asked what authority the committee has.

Maryhelen said they can talk to Nancy, Kareen, and Paul. They can show Mark's project and show what's possible.

Steve stated the committee needs a brainstorming session. Put ideas on a board, and then break them down, pros vs cons.

Kareen mentioned BPS is hiring a senior planner that may be able to help and that BDS is hiring a Tech III for a single point of contact for demolitions.

Maryhelen said that she will respond to the Commissioner about having a follow up committee.

V. **FOLLOW-UP MEETING?** [Input and Recommendations]