



City of
PORTLAND, OREGON

Development Review Advisory Committee

Development Review Advisory Committee
Meeting Minutes
Thursday, November 16, 2017

DRAC Members Present:

Jeff Bachrach	Alexander Boetzel	Claire Carder
Michael Harrison	Rob Humphrey	Maryhelen Kincaid
Christopher Kopca	Jennifer Marsicek	Sarah Radelet
Martha Williamson		

City Staff Present:

Dan Cote, BDS	Mark Feters, BDS	Mark Filsinger, Water
Matt Grumm, Comm. Saltzman's Office		Elshad Hajiyev, BDS
Liz Hormann, PBOT	Steve Hoyt-McBeth, PBOT	Sarah Huggins, Parks
Kurt Krueger, PBOT	Yung Ouyang, Budget Office	
Elisabeth Reese-Cadigan, BES	Kim Tallant, BDS	Sandra Wood, BPS
Jody Yates, PBOT		

Guests Present:

DRAC Members Absent:

Hermann Colas	Maxine Fitzpatrick	Kirk Olsen
Mitch Powell	Joe Schneider	Justin Wood

Handouts

- Draft DRAC Meeting Minutes 10/19/17
- Inter-Bureau Code Change List
- Non-Cumulative Cost Recovery Report
- BDS Major Workload Parameters
- Comm. Eudaly Email re: BDS Communications
- TDM Plans in Mixed Use Zones
- Proposed TDM Title 17 Amendments
- Chapter 33.852 Transportation Impact Review
- Neighborhood Streets Framework & LTIC
- DRAC Work Plan (Draft)
- BDS Budget Preparation Process FY 2018-19
- Upcoming City Council Agenda Items

Convene Meeting

DRAC Chair Maryhelen Kincaid convened the meeting and welcomed DRAC members, City staff, and guests.

Kincaid shared the sad news that former DRAC member and Chair Steve Heiteen passed away unexpectedly last week. A Celebration of Life will take place Friday, November 17, 2017 at the Home Builders' Association.

Kincaid reminded DRAC members of the need to fill the Chair and Vice Chair positions for 2018. Elections will take place at the December 21, 2017 DRAC meeting.

Oregon Senate Bill (SB) 871 / Lead & Asbestos Update

Nancy Thorington (BDS) gave a status update on SB 871 and proposed regulations. The DRAC Demolition Subcommittee is discussing regulations regarding lead and asbestos abatement for residential demolitions involving 1-4 units. In addition to DRAC members, the Subcommittee includes representatives from Oregon OSHA, the Department of Environmental Quality (DEQ), Multnomah County, Metro, and the deconstruction industry.

A draft ordinance is being prepared and will be shared with the full DRAC. The ordinance deals with the containment of dust and water (used to contain the dust) in demolitions; it will likely involve wetting down materials, not working in winds over 25 mph, and containing everything onsite. BDS will get a copy of the asbestos survey and will take on responsibility for ensuring compliance. The ordinance will also propose adding a pre-demolition inspection by BDS and a door-hanger notice requirement for neighboring properties.

DRAC Member Christopher Kopca asked how the ordinance defines "demolition". Thorington replied that "demolition" is understood as taking down everything to the foundation. Kopca asked whether the asbestos survey is currently required. Thorington said that the asbestos survey and report are currently required, but nothing is required for lead-based paint. Kopca said that in commercial demolitions, a certain percentage of asbestos is permitted to remain in the rubble, and asked if that will apply to residential demolitions as well. Thorington replied that contractors will have to follow EPA regulations; the ordinance is not changing the EPA's standards. Dust mitigation will be required whether asbestos or lead paint has been found or not.

Sandra Wood (BPS) asked whether the ordinance will apply to mixed use buildings. Thorington said that so far, the subcommittee has agreed that the regulations will apply to mixed use.

Transportation Demand Management (TDM) Plan Requirement in Mixed Use Zones

Liz Hormann (Housing Bureau) reviewed the handouts *TDM Plans in Mixed Use Zones*, *Proposed TDM Title 17 Amendments*, and *Chapter 33.852 Transportation Impact Review*, and explained the proposed requirements. Hormann said the DRAC will be included in public outreach efforts going forward.

Hormann and DRAC members discussed the \$1,100 per unit fee described in the *TDM Plans in Mixed Use Zones* handout. DRAC Member Jeff Bachrach asked what PBOT will do with the fee. Hormann said that the money will go back into the development at the time of occupancy; it could be that each unit receives an annual TriMet pass, but it could be done in other ways. PBOT will work with building managers on this.

Hormann clarified that the \$1,100 per unit fee is one-time, rather than annual. Kopca asked whether the fee will cover PBOT staff time. Hormann replied that PBOT will have the authority to levy an administrative fee in addition to the per unit fee, but the amount of the administrative fee has not been determined.

Kopca questioned why the requirement applies to only mixed-use zones. Hormann said the City Council questioned this as well, and directed PBOT to look at other TDM programs for comparison. Kopca said that if the DRAC endorses this plan, it should include that the regulations be applied more broadly, not to just specific mixed-use areas.

DRAC Member Alexander Boetzel asked if there is a comprehensive plan that TDM regulations will tie into. Boetzel said it doesn't make sense to apply this to only targeted areas, since traffic is system-wide. Hormann replied that there are broader pieces, but this TDM strategy stands alone.

DRAC Member Michael Harrison said that parts of Portland are covered by plan districts that include regulations that go beyond the code, and some areas already do TDM planning; Harrison questioned whether the proposal would result in duplicate regulations in some areas. Harrison advised looking at plan districts and other regulatory layers that apply to some areas of town.

Hormann and Wood clarified that the Central City is not included in the proposed regulations, because mixed-use isn't applied in the Central City. The TDM process is already applied to institutions; this proposal will apply the process to mixed-use development.

Bachrach expressed concern with 10-20 unit projects that will come under the proposal, and whether the added costs will be balanced by tangible improvements to the transportation mode split. Bachrach said that the added costs to housing should result in a tangible benefit to public policy goals. Hormann said that there is a reporting component to the proposal.

Hormann said that they want to develop a guide for applicants that outline their TDM options. They envision that TDM will be part of PBOT's development review process.

Hormann confirmed that it will be mandatory for developers to go through the review process or pay the per-unit fee. They are working on the cost and timeline of that review now. Humphrey expressed concern that this adds on another layer of review and cost.

DRAC members discussed the impact of the policy on the development of affordable housing.

Local Transportation Infrastructure Charge (LTIC) / Neighborhood Streets Program

Kurt Krueger (PBOT) shared a presentation on the Neighborhood Streets Program and reviewed the handout ***Neighborhood Streets Framework & LTIC***.

Humphrey asked about fees that have been assessed, but not collected. Krueger responded that those projects are either waiting to see what changes City Council will make, or they've canceled. Once LTIC fees go over about \$55,000, projects tend to be canceled.

The proposal is scheduled to go to City Council December 6, 2017 at 9:45 a.m. for discussion.

Humphrey asked for clarification regarding the relationship of property zoning to LTIC fees. Krueger said that the zoning helps in settling on the cap amounts; it makes sense that an R7 zone has a higher cap than an R5 zone. Matt Grumm (Comm. Saltzman's Office) said this makes it simpler for people to figure out what their fee will be. Krueger said that they will be adding an affordability exemption.

DRAC Member Claire Carder said the LTIC fee has changed from what it was originally. LTIC fees are largely collected from developers who don't develop sidewalks, and it is not good policy to roll funds for pedestrian improvements into funds that will be used for street improvements. This results in the pedestrian community being short-changed. Also, the federal government match is much higher for pedestrian-only improvements, as opposed to multi-modal improvements.

Harrison expressed concern with how LTIC fees are spent, rather than with how they are collected; it appears the money may be better spent on pedestrian projects as opposed to full street projects. Krueger said there are no other funds for full street development, a large percentage of the costs relate to stormwater management, and it doesn't work well to improve the sidewalks without improving the street.

BDS Director's Report

City Labor Contract Negotiation Update

Elshad Hajiyev (BDS) gave an update on the City's negotiations with the District Council of Trade Unions. The parties have reached a tentative agreement that is now being finalized; it will still need to be approved by union members and the City Council.

BDS Budget Update

Hajiyev referenced the handout **BDS Budget Preparation Process FY 2018-19**. The BDS Budget Advisory Committee (BAC) had its first meeting last week. BDS's Requested Budget and 5-Year Financial Plan are both due to the City Budget Office on January 29, 2018. Mayor Wheeler intends to ask bureaus to submit a 5% cut in their General Fund appropriations; this will result in a cut of \$50,000 - \$60,000 cut for the BDS Enforcement Program.

Pulse of the Industry

Education Pipeline for Building Trades

Carder has been working on a document related to the need to support vocational training in order to meet future needs in the development industry. Carder asked if DRAC members would be supportive of the issue.

Humphrey said this is a very important issue, and that there aren't enough people interested in the building trades, but it is unclear how the DRAC fits in. Carder replied that the DRAC's mission is to make recommendations to improve development processes, and ensuring that the development industry has sufficient trades people helps make more predictable outcomes. Dan Cote (BDS) said the same shortage exists on the inspections side as well, and it is difficult to hire qualified inspectors.

Bachrach said that this is a critical issue, but the DRAC has been trying to hone its mission and be a more effective advocate with City Council, and should avoid anything that distracts from that.

DRAC Annual Plan / Annual Report

Kincaid transitioned into a discussion on the DRAC Annual Plan and the creation of an Annual Report for City Council, and reviewed the handout **DRAC 2018 Annual Plan**. Members discussed adding the Residential Infill Project to the Annual Plan, and scheduling a meeting of the Fees & Regulations Subcommittee for after the new year.

Carder proposed that discussion on the Plan be continued to the December meeting, to allow an opportunity for discussion regarding the DRAC mission and what it includes.

DRAC Member Sarah Radelet said that someone should be tracking why developers are leaving Portland for other jurisdictions, to identify whether the departures are related to regulations, processes, fees, or other factors.

Kopca agreed and said it would be helpful to have a list of all the new regulations that have been put in place over last couple years. S. Wood said that BPS tracks that information for their regulations. Hajiyev said the BDS Communications Team can work with the other development bureaus to put a comprehensive list together.

Other

DRAC members discussed the role of the DRAC in code/policy changes, and their desire to involve the DRAC earlier in the change process. Harrison said that it would be good to get proposed changes 2-3 months ahead of going to City Council, rather than a few weeks before. Kincaid said that the development bureaus are now involved in planning DRAC meeting agendas, and more effort is being made to get information to the DRAC sooner. The fact that the DRAC meets only once per month for two hours provides limited time to discuss major code changes. Members settled on using DRAC subcommittees to delve more deeply into issues.

The next DRAC meeting is scheduled for Thursday, December 21, 2017.

Minutes prepared by Mark Feters (BDS).