



City of
PORTLAND, OREGON

Development Review Advisory Committee

Development Review Advisory Committee
Meeting Minutes
Thursday, May 16, 2019

DRAC Members Present:

Jeff Bachrach
Paul Delsman
Michael Harrison
Sarah Radelet

Alexander Boetzel
Shea Flaherty Betin
Holly Huntley
Martha Williamson

Claire Carder
Sean Green
Lauren Jones
Justin Wood

City Staff Present:

Tyler Berry, PBOT
Darryl Godsby, BDS
Kurt Krueger, PBOT
Erin Mick, Water
Yung Ouyang, Budget Office
Elisabeth Reese-Cadigan, BES

Rick Faber, Urban Forestry
Elshad Hajiyev, BDS
David Kuhnhausen, BDS
Phil Nameny, BPS
Andy Peterson, BDS
Kim Tallant, BDS

Mark Feters, BDS
Sarah Huggins, Water
Michael Liefeld, BDS

Dave Tebeau, BDS

Guests Present:

Ashley Fleschner, National Association of the Remodeling Industry Pacific NW
Sam Noble

DRAC Members Absent:

Jennifer Marsicek
Mitch Powell

Handouts

- Draft DRAC Meeting Minutes 04-18-19
- Inter-Bureau Code Change List
- BDS Major Workload Parameters
- Non-Cumulative Cost Recovery Report
- BDS Business Continuity Plan Summary
- Urban Forestry Fee Update
- PBOT Fee Changes FY 2019-20
- Draft DRAC WorkPlan
- Focus Issues for DRAC
- Upcoming City Council Agenda Items

Convene Meeting

DRAC Chair Justin Wood convened the meeting and welcomed DRAC members, City staff, and guests. DRAC members reviewed and approved minutes from the April 18, 2019 DRAC meeting.

Announcements / Updates

Neighborhood Contact On-Site Notice

Kim Tallant (BDS) said that a BPS code update to neighborhood contact regulations recently passed City Council and will become effective December 2, 2019. The requirement will be to either post notice on the site or hold a meeting. BDS is responsible for developing an administrative rule regarding what the posting will look like (information, formatting, etc.). BDS will publish a draft for comments in 1-2 months, and will come back to the DRAC with more details.

DRAC Member Sarah Radelet asked about the transition process from the current to the new code. Tallant said BDS is concerned that people may not be aware of the code update. The bureau's goal is to complete the administrative rule by September, post it online, and put word out before the code change goes into effect, so people can be prepared.

Fee Updates

Urban Forestry

Rick Faber (Forestry) reviewed the handout **Urban Forestry Fee Update** and summarized Forestry's proposed fee changes for FY 2019-20. Forestry is working toward cost recovery by making modest upgrades in numerous fees, along with a couple new fees for required reviews that haven't been covered previously. Most notable is an increase for the fee in lieu of planting, to \$450 per inch. Revenues from that fee go into the tree planting mitigation fund.

DRAC Member Claire Carder noted that the fee in lieu is increasing almost 30%, and asked for more background information on the increase. Faber said the intent of the fee per inch is to cover the cost of planting and establishing a tree over a 2-year period. The fee hadn't been increased for a long time and wasn't achieving cost recovery.

DRAC Member Jeff Bachrach noted that the threshold for residential and commercial remodels is being lowered from \$1 million to \$25,000; this will capture a lot more development, and seems like a fee increase. Faber replied that Forestry has always reviewed projects over \$25,000, and had a different scale for projects over \$1 million; the proposed change combines the two scales.

Bachrach asked whether the fee increases are driven by cost recovery or cost recovery plus increasing the tree canopy. Faber didn't have information to answer the question. Bachrach asked whether the desire for more tree canopy is being funded from the fee in lieu or other sources. Radelet said that the fee in lieu is to create a pot of money for tree planting. The other Forestry fees are based on cost recovery.

DRAC Member Alexander Boetzel said the goal is to increase the canopy, so every project over a certain value needs to plant trees. If they don't, then Forestry will, and that's what it costs them.

Guest Sam Noble said that in the past a City Commissioner made the case that the earlier \$300 per caliper fee was well below cost recovery. Faber said that Forestry typically achieves about 50% cost recovery. Noble asked whether Faber knew the actual cost per caliper; Faber didn't know the exact cost, but felt it was close to \$450.

Wood said that the fees charged for removing trees make housing less affordable, which works against the City Council's goals. Wood suggested providing a way to design around trees in order to preserve them.

Transportation

Kurt Krueger and Tyler Berry (PBOT) reviewed the handout **PBOT Fee Changes FY 2019-20** and summarized PBOT's proposed fee changes for FY 2019-20. Most PBOT fees are proposed to increase from 8 – 11%; Type III reviews are increasing by \$1,500.

Krueger said that PBOT staff is called into more meetings to solve problems on projects, and they need to recover those staff costs. The Public Works (PW) appeal fee is \$250, but the actual cost to PBOT is around \$3,000. Krueger said it seems like applicants use the appeals process more because the cost is so low, and they intend to look at that fee over the next year.

Radelet said the rationale behind PW appeal decisions is unclear. They need a way to get more information so they know where problems are and can avoid them. Krueger agreed that they need to improve information sharing.

DRAC Member Michael Harrison noted that the PW program has changed in very positive ways, and wasn't concerned about increased costs.

Radelet suggested PBOT think about a sliding scale fee for appeals; the \$3,000 fee might be too much for some customers. Krueger said they're considering it.

Erosion Control Requirements

Michael Liefeld (BDS) supervises the Site Inspections Team, which had an issue with the implementation of the Erosion Control manual related to ground cover. Customers struggle to meet the manual's minimum requirements. After the Erosion Control program was audited by the EPA in 2013, they started returning to the standards in the manual, but didn't provide sufficient notice to customers. They have been working to resolve that. They will be working with BES on updating the EC manual to make it clear with minimum standards and buyoff from all parties.

Carder asked about a representative from the DRAC participating in the EC manual update process. Wood agreed, noting the potential for significant impact on development. Liefeld will pass that along to the BES/BDS steering committee and technical work group. Carder volunteered to represent the DRAC.

DRAC Member Holly Huntley asked if staff is looking at the EC inspections process – the timing and coordination of site inspections – in addition to the manual. Liefeld said that at this point they're looking at just the technical document.

Liefeld then announced that a change regarding the Pre-Erosion Control inspection (#200). Before the last recession, the Pre-EC inspection was required prior to ground disturbing activity; since the recession it has been bundled with other inspections. Recently staff has been working on unbundling the Pre-EC inspection, but the IVR (Interactive Voice Response) inspection scheduling system isn't set up for it. They will be updating messaging in the IVR system to make sure customers know that the Pre-EC inspection needs to be approved before other inspections can be requested. Huntley suggested that messaging be added to the physical permit card as well, perhaps with a sticker. Liefeld said that's been done before for other regulations, and will pass the suggestion on to bureau management.

Wood said that information about the change is getting out to customers gradually. Wood suggested that the Temporary Electrical Service inspection not be held up by the Pre-EC inspection. Liefeld offered to pass this on to residential inspections. Liefeld and Faber clarified that tree preservation should take place before the Pre-EC inspection.

DRAC WorkPlan

Carder and Mark Fetters (BDS) reviewed the handouts **Draft DRAC WorkPlan** and **Focus Issues for DRAC** and initiated discussion on the DRAC's role and focus.

DRAC members discussed a number of topics, including:

- Paul Delsman - The DRAC's charter (in City Code Title 3.30) is for an accountable development review process; is this still relevant? What should the DRAC be trying to achieve, and who should be at the table? Andy Peterson (BDS) said the issues present at the time the DRAC was created haven't changed.
- Bachrach - The DRAC needs two separate arms, or there needs to be a new committee – one focused on development problems that need a Zoning Code solution (policy committee), coordinating closely with the Planning & Sustainability Commission (PSC) and BPS; the other to focus on development review process (technical committee). The policy committee could be part of DRAC, or separate entity.
- Harrison – Most DRAC members care about both policy and process and want to address both. The neighborhood association model of creating ad hoc committees to address specific issues, with members volunteering for what they want to work on, could work well for the DRAC.
- Carder proposed identifying priorities, then bringing a rough draft workplan to the next DRAC meeting.
- Tallant (BDS) – The DRAC could review code amendments for development review process implementation issues. Code review and understanding its impact takes a lot of time.
- Wood – There is no group representing development interests in policy discussions.

- Bachrach – The PSC and City staff don't get good enough input from those who use the City's systems. The PSC doesn't get input from the stakeholders who are represented at the DRAC.
- Radelet – A subcommittee could be created to work on the DRAC's role related to policy and how best to address it.
- Nameny – What about the Mayor's Developer Roundtable? Could it be a step toward a policy group? Andy Peterson (BDS) suggested getting BDS Director Rebecca Esau's feedback on that group. Wood said that group focused on high-level issues, and suggested asking for the Mayor's support for a policy group.
- Sean Green – The subcommittee is a great idea. There is a need to define the scope of the DRAC's work. The group could spend many hours working on one piece of code review. Outside groups give a lot of input to the PSC and City Council on Zoning Code changes. It would be easier for the DRAC to find consensus on process issues rather than policy questions.
- Huntley – Before a subcommittee on policy is established, the DRAC needs to define its parameters and scope. The DRAC first needs a plan to accomplish what's in the charter (Title 3.30); then it can look at other issues people want to address.
- Harrison – It isn't necessarily worthwhile for the DRAC to take on policy issues beyond what it's already working on. If policy discussions are moved to a separate committee, the rest of the DRAC won't be hearing as much about those issues. And a policy committee wouldn't be able to address 40 different issues; they'll need to focus on a handful of things.
- Wood – The issue for the DRAC regarding policy review is that policy changes are brought to the DRAC after they're decided. The DRAC isn't involved in the forming of those policies. The City of Vancouver has a Building Development Commission that has to review issues before they go to the City Council. The policy piece is being missed in Portland. Jones said an exception to this was BDS's policy decision on the timing of mechanical permits. BDS brought the issue to the DRAC, took input, then went back and re-worked the policy.
- Green – More feedback from customers is needed – a survey of permit center customers, or focus groups.

Carder identified several potential workplan items and asked DRAC members to indicate items they'd be interested in working on:

- Public Works Permitting – Radelet, Jones, Williamson
- Service Levels – Jones, Harrison
- Residential Inspections – Jones, Green
- Facility Permit Program – Jones
- Public Works Appeals – Jones, Radelet, Williamson
- Building Code Interpretations – Jones

- Portland Online Permitting System (POPS) – Green
- Process Improvement – Huntley
- Inter-Bureau Coordination – Boetzel, Bachrach, Delsman

Carder offered to bring a draft workplan to the June 20 DRAC meeting.

The next DRAC meeting is scheduled for Thursday, June 20, 2019.

Minutes prepared by Mark Feters (BDS).