



City of  
**PORTLAND, OREGON**

Development Review Advisory Committee

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**Meeting Notes**

**Thursday, May 21, 2020**

**DRAC Members Present:**

Jeff Bachrach  
Sean Green  
Jennifer Marsicek

Claire Carder  
Michael Harrison  
Martha Williamson

Paul Delsman  
Lauren Jones

**City Staff Present:**

Matt Berkow, PBOT  
Rick Faber, Forestry  
Darryl Godsby, BDS  
Sarah Huggins, Parks  
Erin Mick, Water  
Diane Park, BDS  
Ken Ray, BDS  
Kim Tallant, BDS  
Duane Whitehurst, BDS

Sallie Edmunds, BPS  
Mark Fetters, BDS  
Elshad Hajiyev, BDS  
David Kuhnhausen, BDS  
Doug Morgan, BDS  
Dora Perry, BDS  
Elisabeth Reese Cadigan, BES  
Nancy Thorington, BDS

Rebecca Esau, BDS  
Kara Fioravanti, BDS  
Rachael Hoy, BPS  
Priscilla Lim, BDS  
David O'Longaigh, Water  
Andy Peterson, BDS  
Emily Sandy, BDS  
Darren Wegener, BDS

**Guests Present:**

Kyle Andersen, GBD Architects  
Julie Bronder, ZGF  
Ashley Fleschner, National Association of the Remodeling Industry PNW  
Daniel Forbes  
Sam Rodriguez, Mill Creek Residential

Krista Bailey, Urban Renaissance Group  
Mary Coolidge, Portland Audubon  
Ezra Hammer, Home Builders Association  
Susan Steward, BOMA

**DRAC Members Absent:**

Shea Flaherty Betin  
Justin Wood

Alexander Boetzel

Holloway Huntley

**Handouts (all handouts are available at <https://www.portlandoregon.gov/bds/46406>)**

- Draft DRAC Meeting Minutes 4/16/2020
- Inter-Bureau Code Change List
- Non-Cumulative Cost Recovery Report
- BDS Business Continuity Plan Summary
- Creating Public Streets & Connections
- Resolution Extending SDC Waiver for ADUs
- Bird-Safe Exterior Glazing Costs Memo
- Central City 2035 Cost Analysis Summary
- PDC Policy Impact Calculator Overview
- Upcoming City Council Agenda Items

### **Convene Meeting**

Due to the coronavirus pandemic, the DRAC meeting was held online through the Zoom platform. DRAC Chair Paul Delsman convened the meeting and welcomed DRAC members, City staff, and guests. Notes from the April 16, 2020 DRAC meeting were reviewed and approved.

### **Coronavirus/BDS Services Update**

BDS managers gave updates on their programs and services.

BDS Permitting Services Manager David Kuhnhausen noted that the P-Docs Limited process that was developed as an interim workaround due to the pandemic will continue to be used for the immediate future, and the process name is changing to Single PDF Process. Customers submit a single PDF of all the plans for a project. BDS has the ability to take residential and commercial payments via DevHub at the Completeness Check and Approved to Issue stages, and staff can still send a secure link to customers to pay other permits online. Commercial & Residential inspection cards are now available online to download, and the entire review process is now available electronically.

Delsman asked what transitions are still being worked on. Kuhnhausen said they still need some workarounds for payments and for some uncommon permit types.

DRAC Member Jennifer Marsicek asked about the status of review timelines. Kuhnhausen hasn't received reports on turnaround timelines for May yet, but thought they were similar to those in April. Updated information will be available for the June DRAC meeting.

BDS Plan Review Services Manager Doug Morgan said that most BDS plans reviewers were able to transition to working from home quickly, and most life safety plan reviews are being completed on time. Morgan noted that more projects have been coming in recently, so a backlog is starting.

BDS Commercial Inspections Manager Darryl Godsby said their numbers have been consistent at around 725 inspections per week. Inspectors have been able to pick up additional inspections since they're now based in the field. The Facility Permit Program (FPP) took in 53 permits last week and their workload is growing. They are still taking about 25 paper plans per week.

DRAC Member Michael Harrison asked about the impact of the anticipated recession on construction. Godsby said they've been inspecting projects that were already underway, but they're watching the permit intake and plan review numbers closely. Delsman concurred that development projects that were underway before the virus are continuing, and said that any impact is likely 12-24 months in the future.

BDS Land Use Services Manager Kim Tallant said that land use review intakes are down about 50%, which speaks to what permitting and inspections will be seeing in a year or so.

BDS Residential Inspections Manager Dave Tebeau said they are running at about 60-75% of their normal workload. They are extensively utilizing FaceTime and Skype to conduct inspections for occupied homes, and still doing in-person inspections for new construction and un-occupied structures. Inspectors are requiring contractors to vacate structures during inspections. Two days ago, residential inspectors began getting their inspections and accessing AMANDA remotely in the field, rather than coming to the office. They are transitioning to emailing correction notices to customers, and the inspection scheduling system (IVR) now requests an email address to use for correction notices.

Tebeau said that Field Issuance Remodel (FIR) inspectors are working remotely as well and FIR permit applications are rebounding. FIR was at about 80% of normal billable hours last month. They are seeing a lot of home office alterations. Tebeau is cautiously optimistic that there's a lot of pent-up work that's waiting to come in.

DRAC Member Sean Green asked if inspectors need to come downtown to pick up their vehicles. Tebeau said they take their vehicles home, but they still come to the office to pick up personal protective equipment (PPE) and other materials.

Tebeau said that other jurisdictions are moving to electronic operations for their building programs, similar to Portland. Delsman said that Seattle wasn't as successful in keeping building inspections going, and some construction didn't take place as a result.

### **Vision for BDS**

BDS Director Rebecca Esau shared an updated vision for BDS programs and services. Director Esau has been trying to move BDS forward with technology over the last 3 years. With the pandemic, a majority of BDS staff is now working from home, and Director Esau anticipates that continuing (and expanding) into the future. Having BDS staff telework creates a lot of benefits – reduced trips downtown, better work/life balance, and reduced office space costs.

BDS has several leases for space in the Jacobs Center and can't get out of them right away, but Director Esau expects BDS will discontinue use of Jacobs Center space once the leases end. Staff is looking at ways to provide more services remotely, rather than in-person. For example, the permit center is often inefficient for customers, with long wait times. Allowing customers to schedule remote appointments for questions or services will be more efficient than customers coming to the permit center and waiting in line. BDS recognizes that not everyone has the technology for remote meetings, so there will have to be other ways to access services – telephone or limited in-person meetings (after the pandemic). Marsicek was supportive of the ability to schedule time-certain appointments with staff.

Paper plans are being digitized upon submittal, and BDS is committed to moving to digital plan submission. The bureau is working with a consultant on processing digital plan review. BDS is also working on a way to handle over-the-counter (OTC) permits, so they can be sorted from other permits and get faster review. Land use hearings are already being done online via Zoom.

Director Esau said that BDS still has a small core of people working in the 1900 Building, and staff is thinking about how (and why) to bring more staff back. The bureau is looking at office design to better accommodate in-person staff interactions and meetings. The bureau will likely move from dedicated cubicles to areas for teleworking employees to dock when they come to the office, and larger conference rooms to accommodate more spacing. A lot of work lies ahead.

Delsman asked what legal limitations might affect remote operations, particularly public hearings. Tallant said that once the current emergency declaration is removed, State law requires BDS to provide a location where people can watch hearings or attend in-person. They'll need to work through that, and make sure that everyone has the opportunity to provide testimony. One option might be to leave the record open after a hearing, so people can send in comments.

### **City Announcements/Updates**

#### Creating Public Streets & Pedestrian Connections through Land Use & Building Permit Process

Kurt Krueger and Matt Berkow (PBOT) shared the handout ***Creating Public Streets & Connections***, referred to as the "Blue Book" by PBOT staff. The Blue Book acts as a guide to applicants regarding required frontage improvements. The Blue Book also gives clarity to staff in implementing the rules in City Code. PBOT is updating the document after several years (housekeeping, not substantive changes) and making it more readily available. Krueger said that work on the Blue Book is being coordinated with updating of the Pedestrian Design Guidelines.

DRAC Vice Chair Martha Williamson said the document is a great reference to show to clients.

Harrison said that OHSU has unique topography on Marquam Hill and an existing dock in South Waterfront that has modern streets being built around it, so they often are in the position of asking for flexibility in the standards. Krueger said that the Blue Book establishes the standard and shows where there's flexibility.

### **Code Changes & Permanent Administrative Rule re: Demolitions**

Nancy Thorington (BDS) provided a demolitions update. The Demolitions Subcommittee will be meeting on May 27 and June 3, 2020 to review draft administrative rules. Thorington said that Mike Liefeld and Jeremy Russell (BDS) have been working on changes to the administrative rules based on the last 1½ years of experience implementing them. Asbestos and lead paint requirements are splitting off into two separate exhibits, making it easier for applicants to see and use them. Once the administrative rule changes are agreed upon, code language will be written to reflect those rules. Thorington hopes to bring the administrative rules to the DRAC in June 2020, and then to City Council after that (possibly in July 2020). Additional subcommittee meetings can be scheduled if needed to reach agreement on the rules, but that would push back the timeline.

### **Accessory Dwelling Units (ADUs) & Systems Development Charges (SDCs) (Council Resolution)**

Thorington reviewed the handout *Resolution Extending SDC Waiver for ADUs*. The City has been extending SDC waivers for ADUs, with the current extension set to expire on June 30, 2020. There are still a number of outstanding permits in the system, and in light of the pandemic the City is proposing to extend the deadline again to September 30, 2020. In additions, applicants who submit after the expiration date would have the option to either pay the SDCs, or record a covenant that would prohibit the ADU from being used as an Accessory Short-Term Rental for a period of 10 years.

### **Tree Code Project Update**

Emily Sandy (BDS) said that BDS, BPS, and Urban Forestry are looking at amendments to the City Tree Code proposed last fall by the Planning & Sustainability Commission and the Urban Forestry Commission. The proposal would remove the exemption from tree preservation and density requirements in certain zones and reduce the tree diameter threshold from 36" to 20" (a tree meeting the threshold has to be preserved, or the developer pays a fee in lieu calculated per inch of diameter).

Staff was directed to bring a proposal to City Council by the first week of July 2020, but the pandemic hit about a week before public outreach was set to start. Sandy shared an updated timeline for the project:

- A public survey (to get community priorities and feedback on the Tree Code) just closed with over 2,000 responses.
- Third week of June - Staff will issue a first draft.
- Late June – Staff will host an online forum; the forum won't be live, but will be open for two weeks.
- End of July – The final staff proposal will be published.
- August – Briefings with the Planning & Sustainability Commission (PSC) and Urban Forestry Commission (UFC).
- September – Joint hearing with the PSC and UFC.
- October – Take recommendations to City Council.

In addition, staff is starting work with a consultant on an evaluation of the impacts on buildable land and residential prices.

DRAC Member Jeff Bachrach volunteered to serve on a subcommittee on the Tree Code and asked when the subcommittee would be meeting. Sandy said that rather than convening a subcommittee, the consultant held individual interviews with 26 different stakeholders (including Bachrach).

Bachrach asked about a broader review of the Tree Code. Sandy said staff was directed to come back to City Council by December 2020 with the broader issues they want to tackle. Staff is collecting those issues now as they go through the amendment process.

Carder asked if the work has been coordinated with Environmental Services (BES); Sandy said that a number of bureaus are involved, including BES, Water, the Office of Management & Finance (OMF), and the Housing Bureau.

Williamson noted that the 2020 Stormwater Manual doesn't allow credits for trees on private sites, so that's no longer an issue.

### **Bird-Safe Glass**

Sallie Edmunds (BPS) referenced the handouts *Bird-Safe Exterior Glazing Costs Memo, Central City 2035 Cost Analysis Summary*, and *PDC Policy Impact Calculator Overview*, and reviewed the regulations and cost estimates. Edmunds said that the EcoNorthwest cost analysis was based on data from BPS, based on selected projects from that time period. They don't have newer cost estimates or information. Edmunds asked for attendees' experiences with the regulations.

Kara Fioravanti (BDS) said that BDS looked at projects since code change; of the 19 projects reviewed, 7 met the glazing standard. 12 projects didn't have to meet the standard because they: reduced the percentage of windows that required glazing; decreased the glazing area; were historic landmarks; or came in under the old code. Fioravanti said that at least one window manufacturer doesn't have an integrated solution, and has to do an applied film, and one project had trouble finding a system that worked for their building. BDS has heard from developers that it's a high price tag.

Fioravanti asked a couple of permit applicants in attendance to share their experiences.

Kyle Andersen (GBD Architects) discussed Block 216, which was brought in for review in July 2019 under the new code. The project is a curtain wall building. They found only one supplier (Viracon) that had a window assembly that had been tested and that they assembled themselves. Andersen described the process required to make the glass and baked-on coatings. Andersen said that PPG and Vitro have to send glass out for part of the process, and there is potential to compromise the look of the building. They started looking for other ways to meet the standard, and found the best idea was to have the glass laminated, but the fabricator will warranty the lamination for only 5 years, half of the standard industry warranty. They had planned to go beyond the code requirement in order to give the building a uniform look, but they changed their plans due to the shorter warranty. They are putting this glass in front of Class A office space, high end retail, and there are concerns the look will be compromised. Andersen said they calculated the cost impact on their project at about \$17 per square foot, approximately \$500,000 dollars.

Sam Rodriguez (Mill Creek Residential) develops market rate housing, mostly in the core, and also serves as a Design Review Commissioner. Rodriguez said they adjusted one project, a 7-story building, to avoid bird-safe glass requirements. The building's windows cost \$500,000, and it would have cost an additional \$450,000 to put in bird-safe glass using the most cost-effective option. Rodriguez said that from a code perspective, it's about the transparency of the façade. The Design Review Commission wants lots of transparency on ground floors, which limits the application of bird-safe windows to the upper floors.

Rodriguez said there will be real consequences for the feasibility of projects and designs from applicants trying to avoid the bird-safe glass requirements. Rodriguez said the EcoNorthwest analysis doesn't tell what the real costs of the requirements are. Rodriguez cited another \$42 million project where bird-safe glass added \$500,000. Most manufacturers work with a single preferred glazer, and not all glazers can meet the standard.

Edmunds (BPS) asked whether the 10-12 glass manufacturers listed in the administrative rule they consulted. Rodriguez replied that they all manufacture a version of the bird glazing, but they don't make glass. Each window manufacturer works with a specific glazer, and they don't all make bird glazing. This requires window manufacturers to work with 3<sup>rd</sup> party glazers, which is more expensive and complex.

Andersen (GBD) said there are other glass suppliers that apply a web to the glass that birds can see but is barely visible to humans, but if those glazers don't have relationships with the window manufacturer you're using, it will compromise the look of the building. Julie Bronder (ZGF) said the aesthetic is a large challenge. When the coatings are wet, the web becomes visible, and some areas of windows will look different in their reflectivity.

Rodriguez said that they have offices in other markets with bird glazing requirements, such as San Francisco, but the requirements focus on bird "paths", contain a lot of exceptions, and are not used very often.

Bachrach said that when the Planning & Sustainability Commission (PSC) recommended bird-safe standards for adoption a few years ago, there was only minor pushback. Questions were raised regarding costs and suppliers, but the consensus was to go forward. Bachrach said that on May 26, 2020 the PSC will hold a hearing on a code amendment package focused on extending the deadlines on various permits, in response to the pandemic. Bachrach suggested that those speaking to the bird-safe glass issues could submit a letter to the PSC suggesting the suspension of implementation of the bird-safe requirements. Kim Tallant (BDS) expressed concern that introducing bird-safe glazing to the code extensions being considered by the PSC could result in their delay. Sandra Wood (BPS) noted that the City Council can't amend code language that isn't in effect (Central City 2035 hasn't yet been adopted).

### **Industry Updates**

Delsman asked for general updates from City staff and DRAC members. Director Esau said the City is looking at significant hits to General Fund revenue sources, but there won't be a big impact on BDS. PBOT is taking a hit on gas tax and parking revenue. The City is requiring non-represented employees to take 10 days of unpaid furlough by mid-October 2020, but this should not have significant service impacts on BDS. The City is now negotiating with employee unions to require represented employees to take furlough days as well, and BDS is discussing to continue to provide services if this happens; possibly by shutting down services on certain days, or spread the impacts out more broadly. Krueger (PBOT) supported having specified days when services are closed.

Director Esau reviewed the handout ***BDS Major Workload Parameters***, and noted that the numbers for March and April 2020 are artificially low because of the prioritized system implemented in March; BDS is now taking in all permit types, so numbers will be more accurate going forward.

BDS Deputy Director Elshad Hajiyev said that there is a lot of economic uncertainty regarding the coming months. Hajiyev thought that with physical distancing restrictions being lifted, some demand for services will return in the second half of 2020, but not to previous levels. Economists say this recession won't be as severe as the last one, and the return to a healthy economy will be faster (4-5 years). Hajiyev said that multifamily development was in trouble before the pandemic. It is anticipated that people will be moving into smaller spaces and using more shared housing, which will impact multi- and single-family development.

Hajiyev said that BDS has some large projects in intake or plan review, with revenues expected in the next fiscal year, but there are fewer projects that would impact revenues in the 1-2 year timeframe. BDS is expecting a 20-25% reduction in revenues next year, and the bureau has already made cuts to non-essential expenditures and is not adding new staff positions. Hajiyev expects investment in health care construction to continue, along with airport projects.

Harrison (DRAC) said that Oregon Health & Science University (OHSU) was able to encourage patients to delay procedures so they could prepare for a Covid influx, but Oregon's pandemic prevention efforts have minimized the influx, resulting in a largely empty hospital and a reduction in clinical services. OHSU anticipates a \$1 billion revenue hit in the recession. Anyone at OHSU earning over \$50,000 in salary is subject to salary reduction, with higher percentage required for higher salaries.

Green (DRAC) said they are seeing some projects put on hold or reduced a little, and a lot of the work coming in is yet to be designed, which is surprising. They are seeing an uptick in overall work.

Marsicek (DRAC) said they are seeing new work on the public side, but a slowdown in private work. DRAC Member Lauren Jones said they majority of their time is being spent managing existing assets.

DRAC Member Holloway Huntley said their work is continuing fairly normally, but Huntley has heard from others who are seeing a slowdown. Huntley is being slowed down more by waiting on permits to be issued than a lack of applicants.

DRAC Member Claire Carder said that on the public input side, they are looking for new ways to get people to participate. The City Land Use Coalitions are meeting online and people are adapting.

Delsman (DRAC) said they are heavily involved in school construction in various markets, but nervous about material availability. Delsman said the commercial market and the Occupational Safety & Health Administration (OSHA) have worked well to promote Covid-19 safety at construction sites. Delsman is guardedly optimistic, but not sure what the long-term holds.

**The next DRAC meeting is scheduled for Thursday, June 18, 2020.**

Meeting notes prepared by Mark Fetters (BDS).