



City of
PORTLAND, OREGON

Development Review Advisory Committee

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Meeting Notes

Thursday, November 19, 2020

DRAC Members Present:

Jeff Bachrach
Paul Delsman
Holloway Huntley
Martha Williamson

Alexander Boetzel
Sean Green
Lauren Golden Jones

Claire Carder
Michael Harrison
Jennifer Marsicek

City Staff Present:

Beth Benton, BDS
Rick Faber, Forestry
Darryl Godsby, BDS
Kurt Krueger, PBOT
Chariti Montez, Comm. Ryan's Office
Dawn Morris, Forestry
David O'Longaigh, Water
Elisabeth Reese-Cadigan, BES
Kim Tallant, BDS
Terry Whitehill, BDS

Angela Butel, Budget Office
Brenda Fahey, BDS
Elshad Hajiyev, BDS
David Kuhnhausen, BDS
Phil Nameny, BPS
Andy Peterson, BDS
Jessica Ruch, BDS
Dave Tebeau, BDS
Duane Whitehurst, BDS

Rebecca Esau, BDS
Mark Fetters, BDS
Sarah Huggins, Parks
Erin Mick, Water
Doug Morgan, BDS
Kyle O'Brien, BDS
Ken Ray, BDS
Nate Takara, Fire
Nancy Thorington, BDS

Guests Present:

Krista Bailey, Urban Renaissance Group

DRAC Members Absent:

Justin Wood

Handouts (all handouts are available at <https://www.portlandoregon.gov/bds/80358>)

- Draft DRAC Meeting Notes 10/15/2020
- Inter-Bureau Code Change List
- Non-Cumulative Cost Recovery Report
- BDS Major Workload Parameters
- BDS Business Continuity Plan Summary
- Permitting & Technology Updates
- Large Projects Report
- Draft DRAC Annual Report
- Upcoming City Council Agenda Items

Convene Meeting

DRAC Chair Paul Delsman convened the online meeting and welcomed DRAC members, City staff, and guests.

DRAC Meeting Notes

DRAC members reviewed and approved notes from the October 15, 2020 DRAC meeting.

West Portland Town Center ([West Portland Town Center Plan | Portland.gov](#))

Phil Nameny (BPS) provided an update on the West Portland Town Center project. The project discussion draft is out for comment, and there will be a virtual open house online tonight (Nov. 19, 2020) at 6:30 p.m., more information is available at the project website (link above).

The project is creating a new district. BPS is looking at ways to use the Zoning Code to reduce displacement and create opportunities for business development, by using incentives and tighter regulations in some areas. Nameny encouraged DRAC members to review the discussion draft and provide feedback. The new district is located near the Barbur Transit Center.

Delsman (DRAC) asked whether the recent Metro ballot measure that failed will affect this project. Nameny hadn't seen any indication that the project plans are affected.

DRAC Member Claire Carder said that the crossroads where this district will be located is a "gateway" to Portland and is a great opportunity. Carder said there are a few conflicts with I-5 on-ramps that could be addressed, but the community is excited for most part.

BDS Services Update

Technology Update

Brenda Fahey (BDS) shared the **Permitting & Technology Updates** presentation. BDS had hoped to begin taking building permit submissions online in mid-November, but the scope of the project changed; BDS now anticipates going live on December 14, 2020.

Delsman (DRAC) asked what is needed to go live with remote customer consultations. Fahey (BDS) said there isn't much left to do. Microsoft Bookings software just became available to the City, and staff is working with the Bureau of Technology Services (BTS) to make sure that all the functions are stable. Once any issues are resolved, BDS should be able to implement consultations quickly.

Delsman (DRAC) asked about the chat function. Fahey (BDS) said adding chat is a significant change for staff. It will take time to figure out how BDS will manage it internally and where business processes will need to change. In addition, BTS timelines are less certain due to COVID.

Simple Permits

Andy Peterson (BDS) continued the **Permitting & Technology Updates** presentation, focusing on "simple permits" – permits that were previously issued "over-the-counter", without being taken in for review. Efforts are focused on permits that require BDS approval only, and then will expand to permits needing approvals from other City development bureaus.

Dec. 1 Fee Increases / Permit Timing

David Kuhnhausen (BDS) continued the *Permitting & Technology Updates* presentation, focusing on the BDS fee increases taking place on December 1, 2020 and permit intakes (see [Most BDS permit fees increasing Dec. 1; You can still submit a complete permit application to avoid increases | Portland.gov](#)). In order to process permit intakes around the fee increase timing, BDS will sort intakes into three groups:

- Group A – Requests for intake appointments received by November 30, 2020. Customers will be vested in current fee schedules, assuming their plans meet minimal submittal requirements.
- Group B – Requests for intake appointments received from December 1 – 11, 2020. Customers will be vested in the new fee schedules. These customers will also have the option to wait for DevHub and upload their plans on December 14, 2020 (see Group C).
- Group C – Projects submitted online after DevHub goes live on December 14, 2020. Customers will be vested in the new fee schedules. The submittal process will be similar to current submittal process for trade permits.

Sean Green (DRAC) noted that intake appointments have already been scheduled out into January, and asked whether those appointments will be under the current or new fee schedule. Kuhnhausen (BDS) reiterated that any requests for intake appointments that are submitted by November 30, 2020 will be vested in the current fee schedule, so long as the submittal is ready and meets minimum requirements.

Green (DRAC) said it will be important to communicate with customers that they really need to have their plans ready by November 30, 2020 to get under current fees. Kuhnhausen (BDS) said a service level update was placed on the BDS website (see <https://www.portland.gov/bds/news/2020/11/18/most-bds-permit-fees-increasing-dec-1-you-can-still-submit-complete-permit>) and an email has gone out to customers. Green (DRAC) recommended making it very clear on the permit submittal form that customers need to have their plans ready.

Green (DRAC) also noted that with City website transition there are similar pages on both the old and new websites. Green recommended this be changed to make things clearer, and recommended BDS clarify which timeframe Accessory Dwelling Units (ADUs) fall under for scheduling appointments.

BDS Financial Update

BDS Finance Manager Kyle O'Brien provided an update on BDS's financial situation. BDS is starting the budget and financial planning process for fiscal year (FY) 2021-22. BDS met with its Budget Advisory Committee (BAC) yesterday and will meet with its Financial Advisory Committee (FAC) today. O'Brien (BDS) noted that Green represents the DRAC on the BAC, and Delsman and Green represent the DRAC on the FAC.

BDS had a better month financially in October with 98% cost recovery, the best month since the pandemic began. BDS drew only \$100,000 from reserves in October; the bureau had been drawing an average of \$2.1 million monthly since April.

O'Brien (BDS) shared the handout **Large Projects Report**. BDS gets a large share of its revenue from large projects, so the information in the report is good news. The projects that came in during October 2020 were accounted for in BDS's 5-Year Financial Plan.

O'Brien (BDS) said the permitting backlog isn't impacting large projects, as they go through different processes from smaller projects. Large projects are more affected by market and outside forces.

Impact of Permit Process Slowdown on Development

Delsman (DRAC) noted that at the October 15, 2020 DRAC meeting, members indicated an interest in further discussing the impacts of the current slowdown in permit processing on development.

DRAC Member Holloway Huntley expressed a reluctance to submit permit revisions, out of concern that projects might be delayed. Kuhnhausen (BDS) said that BDS is prioritizing permit revisions so that projects can keep moving forward. Can't speak for other review groups. Doug Morgan (BDS) concurred that revisions and other applications associated with work already in progress are prioritized, and said the bureau should be hitting its timelines consistently.

Huntley (DRAC) asked about current review timelines. Morgan (BDS) said that residential review is on time for the most part. Commercial review is more variable and uses a tiered prioritization schedule. More information is available online at <https://www.portland.gov/bds/news/2020/9/18/permit-intake-and-response-time-delays>.

BDS Director Rebecca Esau noted that Andy Peterson (BDS) has been working on dashboards that are on the BDS website; they can be found at <https://development-services-pdx.hub.arcgis.com/pages/permitting-dashboard>. Huntley (DRAC) said that BDS Service Level Updates are hard to find on the website. Director Esau (BDS) offered to have BDS's web designer work with Huntley to improve accessibility.

Commissioner Dan Ryan

Chariti Montez (Sr. Policy Advisor / BDS Liaison) introduced Commissioner Dan Ryan, whose portfolio of bureaus includes BDS, and opened the time for introductions and conversation with DRAC members. DRAC members introduced themselves and described their work and their motivation for serving on the DRAC.

Jeff Bachrach (DRAC) noted the importance of the link between the DRAC and the Planning & Sustainability Commission.

Delsman (DRAC) said that the DRAC has discussed its lack of interface with the City Council. Delsman asked how to improve the DRAC's communication with the Council and how the DRAC can be of help to the Council. Commissioner Ryan described working in the non-profit sector many years and understanding the importance of public and board engagement. Commissioner Ryan prioritized close

contact and open communication with Director Esau, and saw the need to improve the perception that things move quickly in a secret way, then show up at City Council. Bureaus should bring things to the City Council's attention sooner, before things are baked in, and be more transparent.

Commissioner Ryan appreciated that BDS is connected to the marketplace more than other City bureaus, and is looking forward to increasing efficiency between BDS and the community and encouraging more engagement on the front end. A lot of people don't want to do business in Portland anymore, and City government is somewhat in denial about that.

DRAC Member Lauren Golden Jones' firm has primarily been doing asset management since the pandemic arrived in March, working with tenants to get them relief while enabling the firm to pay its debt service. Jones (DRAC) said that while the office sector is stale, industrial is taking off, but companies are looking elsewhere because there isn't enough land available in Portland.

Commissioner Ryan asked DRAC members if the houselessness crisis is affecting their industries and markets, and members replied that it is. Commissioner Ryan said the conversation about the crisis needs to be moved out of the bubble of the houseless and their providers and into the larger community, because houselessness has wider impacts.

Commissioner Ryan thanked DRAC members for their time and said that Chariti Montez will regularly attend DRAC meetings for his office.

DRAC Annual Report

Mark Feters (BDS) referenced the handout ***Draft DRAC Annual Report***, which was developed from the earlier draft created by Carder (DRAC). DRAC members discussed the draft and were generally supportive. Delsman (DRAC) suggested including a message from Director Esau, to share BDS's perspective, and Director Esau concurred.

Delsman (DRAC) asked Montez (Comm. Ryan's Office) about the value of the report for the City Council and how much exposure it could provide for the DRAC. Montez will discuss the report with Commissioner Ryan. Director Esau (BDS) suggested that the DRAC make an annual report presentation at City Council, and stress the role of the DRAC as a partner with the City Council on development issues. Bachrach (DRAC) suggested a small group of DRAC members present the annual report, and said this will help the Council understand the DRAC better and will make DRAC letters to the Council carry more weight.

Montez (Comm. Ryan's Office) agreed, and said it would make sense to present to the Council after the first of the year (2021), when the new Council is seated. The Commissioners come from different backgrounds and it would be good to educate them on development review. Montez suggested a 10-minute presentation of the report with a simple slide deck.

Other Discussion

Green (DRAC) asked for further clarification about the application of the new fee schedules. Kuhnhausen (BDS) said that for intake requests that have already been submitted, applicants need to upload their plans by November 30, 2020 to be vested in the current fee schedules.

Green (DRAC) what reasonable expectations should be for timelines on residential and commercial permit revisions. Morgan (BDS) said the timeline for revisions is typically 5 business days, and since revisions and deferred submittals are a high priority, staff should be hitting the timeline pretty consistently.

Industry Updates

Delsman (DRAC) said that not much has changed for commercial builders, though the lumber markets are softening. They still are seeing a lot of opportunities to propose on new commercial projects; Delsman is going to a meeting today on a project that was put on hold back in April. There is still a significant part of the economy that's in real trouble with the COVID restrictions.

Green (DRAC) is still busy with residential remodel and new construction work. They have had clients, trade partners, and suppliers removed from jobsites because they weren't following COVID protocols.

Carder (DRAC) referenced an issue in land use coalition work regarding getting land use notices to the neighborhood associations. Carder encouraged BDS to work with the Office of Community & Civic Life to make sure things are working smoothly, as the communication piece is really important for building trust with the community.

Director Esau (BDS) will be meeting with Commissioner Ryan shortly to recommend three applicants for DRAC membership.

Huntley (DRAC) noted some confusion with terminology and information on the BDS website, and suggested the addition of a webpage with definitions for terms and acronyms. Industry professionals who are frequent users are telling Huntley that they're confused by information on the website, maybe because things are changing so quickly. Director Esau (BDS) agreed that it can definitely be confusing, and said staff will work on putting together a graphic resource to define terms. Delsman (DRAC) suggested that the DRAC Process Subcommittee could be a good review group.

Huntley (DRAC) has had thoughts of not pulling permits or submitting for permit revisions because of the permitting slowdown, and thinks others may be thinking the same thing. Huntley asked if BDS has looked at this, or if there is any data. Director Esau (BDS) noted that building code administration is based on voluntary compliance; BDS has no way of knowing if people choose to not get permits. The bureau therefore cannot estimate how much work is being done without permit, or how much of that may be related to the slowdown. BDS recognizes this is an issue, and it's driving the need to address the permitting slowdown so the process isn't a deterrent to customers.

DRAC Member Jennifer Marsicek said they are still very busy.

DRAC Member Martha Williamson said schedules for some of their larger projects are getting stretched out. They are seeing more affordable housing projects (as opposed to market rate).

DRAC Member Alexander Boetzel said some of their projects are stretching out, and attributes some of this to communication – being remote rather than face-to-face.

The next DRAC meeting is scheduled for Thursday, December 17, 2020.

Meeting notes prepared by Mark Feters (BDS).