



City of
PORTLAND, OREGON

Development Review Advisory Committee

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Meeting Notes

Thursday, December 17, 2020

DRAC Members Present:

Jeff Bachrach
Sean Green
Lauren Golden Jones

Claire Carder
Michael Harrison
Jennifer Marsicek

Paul Delsman
Holloway Huntley
Martha Williamson

City Staff Present:

Cassie Ballew, BPS
Ross Caron, BDS
Rebecca Esau, BDS
Darryl Godsby, BDS
Casey Jogerst, Forestry
Erin Mick, Water
Doug Morgan, BDS
David O'Longaigh, Water
Ken Ray, BDS
Nicholas Starin, BPS
Dave Tebeau, BDS
Leigh Wheeler, BDS

Beth Benton, BDS
Jeff Caudill, BPS
Rick Faber, Forestry
Elshad Hajiyevev, BDS
Kurt Krueger, PBOT
Chariti Montez, Comm. Ryan's Office
Phil Nameny, BPS
Andy Peterson, BDS
Elisabeth Reese-Cadigan, BES
Nate Takara, Fire
Nancy Thorington, BDS
Duane Whitehurst, BDS

Angela Butel, Budget Office
Sallie Edmunds, BPS
Mark Fetters, BDS
Sarah Huggins, Parks
David Kuhnhausen, BDS
Kyle O'Brien, BDS
Kareen Perkins, BDS
Jessica Ruch, BDS
Kim Tallant, BDS
Emily Volpert, BDS

Guests Present:

Krista Bailey, Urban Renaissance Group
Michelle Schulz, GBD Architects

Ashley Fleschner, NARI
Suzannah Stanley, Mackenzie

DRAC Members Absent:

Alexander Boetzel
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
- River Plan / South Reach Summary
- Non-Cumulative Cost Recovery Report
- BDS Major Workload Parameters
- BDS Business Continuity Plan Summary
- 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 November 19, 2020 DRAC meeting.

Membership Update

Mark Feters (BDS) said that BDS Director Rebecca Esau has recommended three candidates for DRAC membership to Commissioner Ryan, and is awaiting a decision. BDS will soon launch a broad recruitment for additional candidates to fill remaining vacancies.

BPS Updates

Shelter to Housing Continuum

Phil Nameny (BPS) gave an update on the [Shelter to Housing Continuum Project](#). The original intent of the project was to provide permanent avenues to allow for situations that had been approved under the City's housing emergency. The project expands the possible types of shelters, creates a new outdoor shelter type, expands group living situations, and removes the definition of "household".

The project had a second hearing at City Council last Tuesday. A provision has been added to allow people who have property with a single-family residence to have a recreational vehicle (RV) or tiny house on wheels at the site. The RV or tiny house would count as an Accessory Dwelling Unit (ADU), but wouldn't have to meet ADU standards. The added provision generated a lot of testimony, and BPS will continue to discuss it with the Planning & Sustainability Commission (PSC).

Public testimony on the project is open until 5:00 p.m. on Monday, December 21, 2020. More discussions will take place with the PSC, with a vote anticipated by the end of January.

DRAC Member Jeff Bachrach said the PSC has heard testimony but hasn't had a full discussion of the project yet. Until now the City has elected to not enforce the regulations regarding tiny houses on single family lots. The other issue drawing attention is temporary shelters in parks and open spaces. There was a lot of testimony in favor of allowing them, though it's not currently in the proposal and Bachrach (DRAC) doesn't think the PSC will support it.

Nameny (BPS) said there have been a lot of comments regarding "unsanctioned" camping in tents, campers, and tiny houses on wheels. Staff is attempting to balance that with City bureaus wanting to ensure that minimum health and safety standards are met (sanitation, electrical, water, etc.). Bachrach (DRAC) added that the proposed code change won't sanction unauthorized camping.

Delsman (DRAC) asked if there are parallels in this situation to the issues with food cart pods. Nameny (BPS) replied that the Zoning Code has been hands-off with food cart pods, except to treat them as vehicles. There are County health requirements that come into play with food cart pods.

DRAC Member Lauren Golden Jones asked to what extent the proposal will allow RVs in the right-of-way (ROW) or City-owned land. Nameny (BPS) said the ROW is handled through City Code Title 17, rather than the Zoning Code. The only recommended change to Title 17 is to allow the placement of temporary sanitation station in the ROW; there are no proposed changes to regulations regarding vehicles in the ROW. If the outdoor shelter provisions are approved, they could also include people with safe parking in vehicles.

DRAC Member Sean Green asked if there has been discussion about extending the City's declared housing emergency. Nameny (BPS) said there has been a lot of testimony on that. The PSC doesn't have the authority to make a decision but could recommend it in their letter to the City Council. There may be a point in time where actions taken under the housing emergency becomes business as usual. Green (DRAC) replied that many who have been giving feedback on the project feel it's being rushed. Green (DRAC) felt that things are worse now than when the housing emergency was declared, and it is not the right time to lift the emergency declaration. The current proposal will limit the ability to respond to the emergency, for example by limiting use of open spaces for shelters. The project would also prohibit the use of the ROW. Green (DRAC) expressed appreciation for all the work being done, but has serious concerns with the proposal in its current form. Green (DRAC) reported speaking with Commissioner Ryan and says the Commissioner agrees it's the wrong time to lift the emergency declaration.

Bachrach (DRAC) said the PSC has heard these concerns but hasn't talked them all through yet. There is a question of whether the housing emergency should be continued given that it hasn't worked well, and there is concern from people regarding ad hoc camping in parks and other spaces. Nameny said that open space includes not just parks, but things like buffers around wetlands or protected areas.

South Reach

Jeff Caudill (BPS) is co-managing the South Reach project for BPS (see [South Reach | Portland.gov](#)). Their proposal was just adopted by the City Council yesterday (December 16, 2020). Caudill (BPS) reviewed highlights from the handout **River Plan/South Reach Summary**. The project covers the area from the Ross Island bridge south to the City boundary, not including South Waterfront.

Delsman (DRAC) asked if the project addresses any jurisdictions along the river, or does anything with reparations regarding the Ross Island area. Caudill (BPS) said they don't regulate the water, though the Oregon State Marine Board is in the process of rule-making to potentially limit uses on the river (slow/no-wake) and the PSC has had discussions about the City advocating for a slow/no wake zone. The only thing they've done regarding Ross Island is to remove the exemption from the green overlay for existing reclamation efforts.

Jones (DRAC) asked if the recommendations apply to lands adjacent to the Columbia River and Columbia Slough. Caudill (BPS) said they do not, though they've talked about doing that in the future.

DRAC Member Michael Harrison asked if the flood plain changes are for the south reach portion only. Caudill (BPS) said they are, except for tree recommendations that would apply to the central reach. There is a separate project that is more citywide in scope. Harrison (DRAC) asked whether BPS is forming an advisory committee for the citywide project; Caudill (BPS) said the project is still in the planning stages, and they're not sure if they'll have an advisory committee or not.

BDS Services Updates

Online Permit Submittal System

David Kuhnhausen (BDS) said that BDS began accepting building permits online (through [Development Hub PDX](#)) on December 14, 2020. Staff is still working through the backlog of permits that were submitted earlier. High priority permits coming in through DevHub are being processed more quickly, and others will be processed by the end of January 2021.

Leigh Wheeler (BDS) said that 87 requests have been submitted through DevHub so far this week. Delsman (DRAC) asked how the current number of submittals compares with the number prior to the DevHub rollout. Kuhnhausen (BDS) said there aren't quite as many submittals now, but submittals are usually slower around the holidays. Many customers also submitted prior to the BDS fee increases on December 1, 2020.

Green (DRAC) reported using both the interim process and DevHub this past week, and expressed excitement about DevHub.

Kuhnhausen (BDS) said BDS is still taking paper plans for customers who can't use DevHub. There are additional enhancements that will be made to DevHub and a lot of work remains to be done, and BDS appreciates feedback on how things can be improved.

Ken Ray (BDS) noted that more information and a step-by-step guide on how to apply for a permit through Development Hub PDX or in-person when needed can be found at <https://www.portland.gov/bds/development-permit-process/permit-application-payment-process>.

Online Consultations Update

Duane Whitehurst (BDS) described BDS's efforts to replicate consultation services that were available through the Development Services Center (DSC) before the pandemic. BDS has decided to use Microsoft Bookings software, and since it is part of a software suite the City already uses, it will be faster to implement. Staff is trying to create an experience that will work for non-English speakers and others with challenges. The timing of implementation is uncertain, though they are hoping for the first quarter of 2021.

BDS Financial Update

BDS Finance Manager Kyle O'Brien gave an update on BDS's finances. The last couple months have been stronger financially with cost recovery rates of 98% in October and 89% in November. However, those rates were inflated by several large projects that came in during that time period, and BDS doesn't expect that to continue. O'Brien (BDS) expects a lower demand for services and lower revenues going forward.

O'Brien (BDS) shared highlights from the December BDS Financial Advisory Committee (FAC) meeting (see <https://www.portlandoregon.gov/bds/67424>). The FAC is an important data point for BDS's financial planning.

BDS Deputy Director Elshad Hajiyev said that cost-saving options described at previous DRAC meetings have been used by BDS employees to save 17 FTE. BDS is working on updating its forecasting and financial plan, which will be shared with the FAC on January 5, 2021 and finalized after that meeting. Decisions on potential employee layoffs will be made thereafter. BDS's approach to layoffs is that they should not impact timelines or customer service levels. Current indications are that some layoffs will be necessary.

Delsman (DRAC) reported hearing conversation around cost savings on BDS's space rental costs. Hajiyev (BDS) said that a City Council measure to finance the debt for the renovation of the Portland Building increased BDS's space rent by \$3 million effective July 1, 2020. All City-owned space in the downtown core experienced rent increases based on their square footage. Elshad (BDS) said that employee unions and development industry representatives are lobbying for the City to reduce BDS's space costs, but it isn't likely because other bureaus would then need to make up the difference.

DRAC Annual Report

Delsman (DRAC) asked Chariti Montez (Comm. Ryan's Office) if there had been any discussions in the Commissioner's Office regarding the possibility of DRAC presenting an annual report to City Council, as was discussed at the November 19, 2020 DRAC meeting. Montez (Comm. Ryan's Office) said that Commissioner Ryan is supportive of the DRAC presenting a report at City Council, but they haven't established a timeline.

Fetters (BDS) said that edits from Green (DRAC) need to be added to the draft, along with a letter from the Chair/Vice Chair and more narrative on DRAC subcommittees. Fetters (BDS) suggested bringing an updated draft to the January 21, 2021 DRAC meetings for a final vote, then scheduling a presentation to City Council in February or March 2021. DRAC members concurred.

Discussion – Removing Barriers & Stimulating Development in Response to Economic Crisis

DRAC members held a discussion on a challenge from Mayor Wheeler to Director Esau to find ways to improve BDS's services. Hajiyev (BDS) said that Commissioner Ryan sees BDS and the development review process as an engine for economic development, so having input from the DRAC is really important. This conversation isn't new to the DRAC, but the current economic situation requires the City to act quickly so businesses don't close and people don't lose their homes. Hajiyev (BDS) said this topic will probably be on the DRAC agenda for a while, and there is more support for change than in the past, particularly from the Commissioner.

Montez (Comm. Ryan's Office) said Comm. Ryan's Office is having active conversations with Director Esau and the Mayor's Office, and encouraged DRAC members to think broadly, identifying both changes that would have an immediate impact and longer-term issues.

Jones (DRAC) said it is unclear where things are with evaluating Inclusionary Zoning and its impact on multifamily development. The lack of industrial land in Portland is an ongoing issue that hinders development. Work on DevHub and permitting processes is really helpful and needs to continue. The timing of BDS's fee increases is bad, but the rationale is understandable.

Bachrach (DRAC) said the Mayor had allocated money to the Housing Bureau to study Inclusionary Zoning, then COVID hit, and the Housing Bureau hasn't been able to do the work. The PSC has discussed moving the work to another bureau, but for now it's on hold. Bachrach (DRAC) advocated pushing for the study to get done or for Inclusionary Zoning regulations to be put on hold until it gets done. The housing emergency was originally declared to allow regulations to be waived or changed to facilitate the development of housing, but Bachrach was not aware of any regulations that have actually been waived or changed.

DRAC Vice Chair Martha Williamson said the City needs to find some way to allow Public Works (PW) permits to be disconnected from building permits. Customers don't understand how PW and building permits are connected, don't understand that building permits can be delayed by PW permits, and therefore don't get on their PW permits soon enough.

Harrison (DRAC) discussed an infrastructure challenge in South Waterfront that is impacting development. Currently Prosper Portland and PBOT are at odds over which bureau would pay to realign a public street in South Waterfront, a realignment that would help improve accessibility into the district, ease congestion facing the streetcar, and improve the development potential of multiple acres of Central City. Resolving this issue will make the land more developable and potentially increase development in South Waterfront.

DRAC Member Claire Carder said that some efficiencies can be realized through the work of the City's [Charter Review Commission](#). BDS should prioritize shortening review times between bureaus, improving coordination between bureaus, and making development review more seamless. Second, Carder (DRAC) would also like to see the City establish a Futures Committee to envision what economic development and working environments should look like in the future.

Jones (DRAC) advocated for conversations with the electrical utilities (Portland General Electric and Pacific Power & Light) regarding development, and noted a project that's been delayed 6 weeks by the utility. Delsman (DRAC) concurred.

Green (DRAC) said the continuous improvement effort underway at BDS will have the biggest impact on development and helping projects move forward, and said that continuous improvement and equity should be priorities for BDS going forward.

Bachrach (DRAC) suggested making a plan on how to move forward with these suggestions, and advocated for creating a list in the next 1-2 months for Commissioner Ryan of issues that can be addressed quickly. Carder (DRAC) agreed, and said the DRAC Process Improvement & Technology Subcommittee and the NAIOP/BOMA group could provide good input.

DRAC members asked Feters (BDS) to put the ideas from this conversation into a list and distribute to DRAC members for review and editing.

Industry Updates

Delsman (DRAC) said they remain busy with work.

Harrison (DRAC) noted that OHSU just received its first batch of COVID-19 vaccine and will start vaccinating its Tier 1 health care providers. OHSU is part of a clinical trial for another vaccine yet to be approved. Harrison (DRAC) reported not hearing about much development amongst institutions. OHSU's expansion decision (\$500 million project) will probably be made in January 2021. OHSU has pivoted a lot of its outpatient clinical work to telemedicine.

Elisabeth Reese Cadigan (BES) announced that the 2020 Stormwater Management Manual and 2020 Source Control Manual were published and went into effect on December 14, 2020. Both manuals will have a 3-month phase-in period for implementation, during which either the 2016 or 2020 manuals may be used. More information about major changes, applicability, and trainings is available at <https://www.portland.gov/bes/stormwater/swmm> and <https://www.portland.gov/bes/stormwater/scm>.

Bachrach (DRAC) noted that BPS is proposing two new business taxes related to clean air, impacting mostly larger businesses. BPS hopes to go to City Council in the next month or two. BPS briefed the Planning & Sustainability Commission (PSC), but did not ask the PSC for a recommendation. Affected businesses have just heard about the new taxes, which are based on emissions and State DEQ permitting. Nameny (BPS) said a map app specific to the proposal is at <https://www.portlandmaps.com/bps/healthy-climate/#/map/>. Montez (Comm. Ryan's Office) said more information can be found at <https://www.portland.gov/bps/climate-action/healthy-climate/clean-air-healthy-climate-proposal>.

Green (DRAC) said that they are still busy with single-family renovations and new construction.

Carder (DRAC) just discovered that development notices from BDS have a comment period of less than one month, meaning that Neighborhood and Business Associations that meet once monthly don't always have an opportunity to comment. Kim Tallant (BDS) replied that extending public comment periods wouldn't allow for the process to fit within the State-mandated 120-day timeline.

The next DRAC meeting is scheduled for Thursday, January 21, 2021.
Meeting notes prepared by Mark Feters (BDS).