



City of
PORTLAND, OREGON

Development Review Advisory Committee

Development Review Advisory Committee

Meeting Notes

Thursday, August 18, 2022

DRAC Members Present:

Jeff Bachrach
Sean Green
Sam Miller
Martha Williamson

Jill Cropp
Holloway Huntley
Peggy Moretti

Bobby Daniels
Lauren Jones
Maurice Rahming

City Staff Present:

Beth Benton, BDS
Mark Fetters, BDS
Douglas Imaralu, Budget Office
Kurt Krueger, PBOT
Phil Nameny, BPS
David O'Longaigh, Water
Kim Tallant, BDS
Nancy Thorington, BDS

Gabby Bruya, BDS
Elshad Hajiyev, BDS
Casey Jogerst, Urban Forestry
Erin Mick, Water
Tracy Nistler, BDS
Andy Peterson, BDS
Terri Theisen, Comm. Ryan's Office
Terry Whitehill, BDS

Brenda Fahey, BDS
Rochelle Hunter-James, BDS
Terry Kimmons, Fire
Doug Morgan, BDS
Kyle O'Brien, BDS
Ken Ray, BDS
Bret Winkler, BES

Guests Present:

Ashley Fleschner, National Association of the Remodeling Industry
Angela Myatt
Suzannah Stanley, Mackenzie
Samantha Thomas, Home Builders Association of Portland

DRAC Members Absent:

Libby Deal
Steve Lee

Paul Delsman
Eric Paine

Steffeni Gray

Handouts (all handouts are available at [Development Review Advisory Committee \(DRAC\) | Portland.gov](https://www.portland.gov/development-review-advisory-committee))

- Draft DRAC Meeting Notes 06/16/2022
- Inter-Bureau Code Change List
- Non-Cumulative Cost Recovery Report
- BDS Major Workload Parameters
- BDS Business Continuity Report Summary
- Development Services Center In-Person Visits
- Permit Improvement Task Force Update
- Proposed Change to Task Force Dashboard Metrics
- Portland Permit Metric Dashboard

DRAC Business

June 16, 2022 DRAC Meeting Notes

DRAC Members reviewed and approved notes from the June 16, 2022 DRAC meeting.

DRAC Membership Update

DRAC Liaison Mark Feters (BDS) said that Commissioner Ryan is nominating two individuals for DRAC membership. They will hopefully be going to City Council for appointment before the September DRAC meeting. Feters (BDS) also noted that DRAC Member Jeff Bachrach is ending his second term in September. The Planning & Sustainability Commission (PSC) will be nominating another member for the position, which is designated to represent the PSC.

City / Bureau Updates

BDS Budget & Financial Advisory Committees

BDS Budget & Finance Manager Kyle O'Brien said that BDS and other City bureaus will soon begin preparing budget requests for fiscal year (FY) 2023-24 (July 1, 2023 – June 30, 2024). BDS will be looking for DRAC members to participate in its Budget and Financial Advisory Committees. Both groups will begin meeting in November.

The Budget Advisory Committee (BAC) advises BDS on its requested budget submission, which will be due at the end of January 2023. Last autumn 3 DRAC members participated on the BAC. The BAC will meet monthly from November 2022 – January 2023, with about 5 hours of total meeting time. BAC members participate in discussions about bureau priorities and goals, and will produce a report with recommendations for BDS's budget request.

The Financial Advisory Committee (FAC) advises BDS on its long-term financial projections. FAC participants include local economists and development industry representatives. The FAC will meet twice, with about 3 hours of total meeting time.

DRAC Member Lauren Jones said it was enjoyable serving on the BAC last year. It provided an opportunity to see money being spent to add positions to implement policy goals. DRAC Vice Chair Sam Miller reported learning a lot through serving on the FAC last year, and encouraged DRAC members to consider participating on either committee. DRAC Member Sean Green has served on both the BAC and FAC for last couple years, and also encouraged other members to participate.

In-Person Services

Tracy Nistler (BDS) and Rochelle Hunter-James (BDS) gave an update on the Development Services Center (DSC) since its re-opening on July 18, 2022. Information on services available in the DSC is available at www.Portland.gov/service-locations/development-services-center. Hunter-James shared the handout ***Development Services Center In-Person Visits***.

Miller (DRAC) asked how staff is feeling about resuming in-person services. Nistler and Hunter-James (BDS) said that staff is still adjusting to the transition from remote work. Customer numbers are low so far, but could increase over time.

Green (DRAC) asked if there have been opportunities to make any changes based on feedback from the “misdirected” customers noted in the handout. Nistler (BDS) said staff is still collecting and analyzing information on how and why those customers were misdirected, but changes will be made once they have more information.

Permit Improvement Discussion

Permitting Audit Update

Terri Theisen (Comm. Ryan’s Office) shared the presentation **Permit Improvement Task Force Update** and reviewed the City Auditor’s update to their audit of the City permitting process, found at [Audit Update: City advanced building permit reforms; Council and multi-bureau engagement noteworthy | Portland.gov](#).

Proposed Metric Change

Andy Peterson (BDS) shared the presentation **Proposed Change to Task Force Dashboard Metrics**.

Bret Winkler (BES) said that in addition to focusing on time, there is a need to also focus on business processes so staff isn’t efficiently doing “clunky” things. Winkler suggested providing a schedule for customers for common processes, such as creating a subdivision. Peterson (BDS) said they will look into it.

Jones (DRAC) supports the proposal and said the methodology makes sense. Jones suggested the City consider the time between the issuance of the final bill and payment, especially for large commercial projects, as it takes time to call in the money for large projects. Providing an estimated bill 10-15 business days ahead of time would help cut time down for customers. Peterson (BDS) said that most of the building permit fees are loaded at that point, but some sizeable fees don’t show up in the permit until the very end. Peterson said staff can work on this.

Peterson (BDS) shared an updated **Portland Permit Metric Dashboard**.

Douglas Imaralu (City Budget Office) asked how the matrices connect to BDS’s performance measures. Peterson (BDS) said the matrices give more immediate feedback to staff and managers. Imaralu offered to work with Peterson on adding BDS performance goals to the dashboard.

Open Discussion

Bureau of Planning & Sustainability (BPS) Updates

Phil Nameny (BPS) shared updates on a few BPS projects.

- The [Electric Vehicle \(EV\) Ready Code Project](#) draft has been released, and a Planning & Sustainability Commission (PSC) hearing will take place on September 13, 2022.
- The [Floodplain Resilience Plan](#) draft will be released in the next few days, and a PSC hearing will take place on September 27, 2022.

- Shelter-2-Housing Continuum 2 involves a couple development standard tweaks to outdoor shelters based on implementation of the original [Shelter to Housing Continuum Project](#). A proposed draft will be released around Labor Day.

Nameny (BPS) also noted that the State of Oregon Department of Land Conservation & Development approved [climate and equity-focused rules around transportation and parking](#). The rules say that urban jurisdictions should not have minimum parking requirements; otherwise, different rules come into play. BPS will bring this item to the DRAC in the next couple months.

Bachrach (DRAC) said that going forward the City doesn't have a good process for reviewing and coordinating new regulations; the Planning & Sustainability Commission (PSC) played this role in past years, but doesn't anymore. Bachrach said the EV-Ready and Floodplain projects are big regulatory packages, but the PSC has never discussed the underlying policy decisions/assumptions, and this leads to too much staff-driven regulation. Bachrach advocated for a volunteer committee that focuses on new regulations, and said if the City wants to streamline the development review process, it has to look at how regulations are adopted. DRAC Member Jill Cropp said the DRAC is doing this, but maybe there's more that can be done. Bachrach (DRAC) expressed uncertainty that feedback from the DRAC is reflected in proposals that come back to the PSC.

Bachrach (DRAC) noted that there is some restructuring going on with the PSC, and it may be split into two separate commissions. Bachrach said this would be a great opportunity for DRAC to give input on what the new structure should look like.

Other Updates

Winkler (BES) noted that BDS and BES are [updating the City's Erosion and Sediment Control Manual](#). Nancy Thorington reminded DRAC members that an early version of this update was presented to the DRAC in October 2021.

Jones (DRAC) said that commercial development has been very dynamic in the last few months. Commercial development is very sensitive to interest rate increases, and there isn't enough loan availability, impacting which projects they're taking on. Jones reports hearing about a lot of larger commercial projects being put on hold.

Jones (DRAC) said their current projects are in the suburbs, where it's less expensive to build and the economics work better. Jones said the office market is in turmoil, with lots of vacancies and companies moving out of Portland. Some assets are for sale that have less value than their debt, and this is spurring conversations about converting office space to multifamily residential. Jones said the industrial market is still very strong, but there isn't enough land available.

DRAC Member Holloway Huntley said a few customers have recently decided to move away and cancel their projects.

DRAC Member Maurice Rahming works on mostly commercial and industrial projects, and is seeing a large labor attrition rate with retirements. There is a substantial backlog of work and they're having to hire less-experienced people, which will likely slow down the construction process. Rahming said that training people is their biggest challenge right now, and they are very understaffed.

Cropp (DRAC) works with builders who do smaller single-family residential construction, and feels that smaller developments (ADU's, cottage development) are selling more quickly. Cropp said interest rate hikes are having an impact on projects, with some being put on hold.

Cropp (DRAC) asked about the DRAC resuming in-person meetings. Feters (BDS) described technology issues that need to be resolved in order to support a hybrid meeting format (in-person with an online component).

The next DRAC meeting is scheduled for Thursday, September 15, 2022.

Meeting notes prepared by Mark Feters (BDS).