

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Sandra Wood		2. Telephone No. 823-7949	3. Bureau/Office/Dept. Planning and Sustainability
4a. To be filed (date): May 9, 2012 Time Certain, 3:00 pm	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: April 27, 2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

*Amend the Zoning Code to extend the expiration date for land use approvals, add expiration timeline for final plats, and change the effective date of automatic adjustments to dollar thresholds (Ordinance; amend Title 33, Planning and Zoning).

2) Purpose of the Proposed Legislation:

- a. The Portland Zoning Code contains regulations that specify when land use approvals expire. Because of the condition of the economy, many who have received land use approvals have found it difficult to proceed within the timelines set out in the Zoning Code. In 2009, City Council extended the expiration dates from three years from the approval date to June 30, 2012, with the expectation that the economy would recover. Because Oregon's economy has yet to recover, this project proposes to extend some expiration dates to mid-2014. The timelines that would be extended by the proposed amendments include all land use review approvals except Final Plats for land divisions.
- b. After an application for a final plat has been submitted, the Bureau of Development Services sends a letter to the applicant that identifies missing information and outstanding requirements that must be completed prior to final plat approval. If the applicant provides any of the requested information or completes steps towards meeting the outstanding requirements, the application is extended and is not voided. There is no ultimate time limit by which the outstanding requirements must be addressed, if progress continues to be made. There are a number of final plats that have been "in process" for more than five years, and some for far longer than that. This proposal will place a maximum extension time of three years from the date the letter is sent. This will apply to final plat applications submitted after this amendment is adopted—it will not be retroactive.
- c. The Zoning Code requires automatic adjustments to certain dollar thresholds in the Code every year. The changes happen on February 1 and are based on figures published in the second January issue of the Engineering News-Record. The time between the second January issue of the ENR and February 1 can create difficulties for staff preparing the updates to the Code, so this proposal would change the date the thresholds are adjusted to March 1.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

The proposed amendments will have no impact on the increase or decrease in revenue. The proposed amendments are primarily associated with land use actions for which applicants have already paid fees.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence**.)

The proposed amendments will have no cost impact to the City. The amendments are primarily limited to extending the expiration period for land use actions for which applicants have already paid fees.

6) Staffing Requirements:

- Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)

None.

- Will positions be created or eliminated in future years as a result of this legislation?

None.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- ☒ **YES:** Please proceed to Question #9.
☐ **NO:** Please, explain why below; and proceed to Question #10.

9) If “YES,” please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

Extending the expiration period for approved land use decisions will expedite Portland's economic recovery by allowing approved projects to proceed to the building permit review process.

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

- On March 13, 2012, a notice announcing the Planning and Sustainability Commission public hearing on this proposed amendment—and the availability of the Proposed Draft—was mailed to all neighborhood associations, business association, and district coalitions; applicants who have a land use approval that will expire shortly, and other interested persons including those who have requested notice of all legislative projects.
- A notice of the hearing was published in the March/April 2012 issue of the *Plans Examiner*, a bi-monthly BDS publication intended to inform the building-design and construction community.
- Information on the proposed amendment and scheduled hearing was posted on both the BDS and BPS websites.
- The proposal was discussed at the February 2012 Development Review Advisory Committee (DRAC). DRAC is a citizen advisory body, representing those with interests in the outcome of policies, budgets, regulations, and procedures that affect development review processes. DRAC voted to support the amendment.

c) How did public involvement shape the outcome of this Council item?

There was little comment from the public, and all was positive.

d) Who designed and implemented the public involvement related to this Council item?


The Bureau of Planning and Sustainability and the Bureau of Development Services worked together on the entire project, including the public involvement.

e) Primary contact for more information on this public involvement process (name, title, phone, email): Douglas Hardy, Senior City Planner, x3-7816;
Douglas.Hardy@PortlandOregon.gov

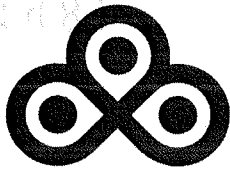
10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No. Once the Zoning Code is amended by this ordinance, the project will be over.

Susan Anderson, Director



BUREAU DIRECTOR (Typed name and signature)



185333

Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

MEMO

DATE: April 26, 2012
TO: Mayor Sam Adams
FROM: Susan Anderson, Director

1. Ordinance Title: *Amend the Zoning Code to extend the expiration date for land use approvals, add expiration timeline for final plats, and change the effective date of automatic adjustments to dollar thresholds (Ordinance; amend Title 33, Planning and Zoning).

2. Contact: Sandra Wood, Supervising Planner, x3-7949

3. Council Date: May 9, 2012, Time Certain, 3:00 pm

4. ☐ Consent Agenda Item ☐ Regular Agenda Item
☒ Emergency Item (explain below) ☐ Non-Emergency Item

The emergency passage reduces impact of land use review deadlines on applicants affected by economic conditions.

5. Purpose of Agenda Item:

- a. The Portland Zoning Code contains regulations that specify when land use approvals expire. Because of the condition of the economy, many who have received land use approvals have found it difficult to proceed within the timelines set out in the Zoning Code. In 2009, City Council extended the expiration dates from three years from the approval date to June 30, 2012, with the expectation that the economy would recover. Because Oregon's economy has yet to recover, this project proposes to extend some expiration dates to mid-2014. The timelines that would be extended by the proposed amendments include all land use review approvals except Final Plats for land divisions.
- b. After an application for a final plat has been submitted, the Bureau of Development Services sends a letter to the applicant that identifies missing information and outstanding requirements that must be completed prior to final plat approval. If the applicant provides any of the requested information or completes steps towards meeting the outstanding requirements, the application is



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandonline.com/bps
1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

Printed on 100% post-consumer waste recycled paper.

extended and is not voided. There is no ultimate time limit by which the outstanding requirements must be addressed, if progress continues to be made. There are a number of final plats that have been "in process" for more than five years, and some for far longer than that. This proposal will place a maximum extension time of three years from the date the letter is sent. This will apply to final plat applications submitted after this amendment is adopted—it will not be retroactive.

- c. The Zoning Code requires automatic adjustments to certain dollar thresholds in the Code every year. The changes happen on February 1 and are based on figures published in the second January issue of the Engineering News-Record. The time between the second January issue of the ENR and February 1 can create difficulties for staff preparing the updates to the Code, so this proposal would change the date the thresholds are adjusted to March 1.

6. History of Agenda Item/Background:

The Portland Zoning Code contains regulations that specify when land use approvals expire. Because of the condition of the economy, many who have received land use approvals have found it difficult to proceed within the timelines set out in the Zoning Code. In 2009, City Council extended the expiration dates from three years from the approval date to June 30, 2012, with the expectation that the economy would recover. Because Oregon's economy has yet to recover, this project proposes to extend some expiration dates to mid-2014.

7. Legal Issues:

None.

8. What individuals or groups are or would be supportive or opposed to this action?

Applicants with land use approvals slated to expire before June 20, 2014 will be supportive of this action; several testified in person or in writing at the Planning and Sustainability Commission hearing. We have heard no opposition to this proposal.

9. How does this relate to current City policies?

This proposal supports City policies to expedite Portland's economic recovery by allowing approved projects to proceed to the building permit review process.





City of

PORTLAND, OREGON**Development Review Advisory Committee**

1900 SW 4th Avenue, Suite 5000
 Portland, Oregon 97201
 503-823-7308
 FAX: 503-823-7250
 TTY 503-823-6868
www.portlandonline.com/bds

Date: May 15, 2012

To: Mayor Adams
 Commissioner Fish
 Commissioner Fritz
 Commissioner Leonard
 Commissioner Saltzman

From: The Development Review Advisory Committee (DRAC)
 Keith A. Skille, AIA, DRAC Chair *KAS*

SUBJECT: Zoning Code Amendment to Extend Expiration of Land Use Review Approvals

Recently, the Development Review Advisory Committee (DRAC) discussed the impending expiration of a large group of land use review cases that received time extensions in 2009 in response to the economic recession. The DRAC fully supports the Bureau of Planning and Sustainability's (BPS) and Bureau of Development Services' (BDS) current Zoning Code amendment proposal to extend those expiration dates an additional two years.

The Zoning Code directs that land use review approvals expire three years following the date of the final decision if a City permit has not been issued for approved development or the approved activity has not begun. Preliminary Plan approvals for land divisions expire if a Final Plat application hasn't been submitted within three years of the effective date of the Preliminary Plan approval.

Because of the continuing poor condition of the economy, and in particular a tightening of the financial lending market, many who received land use approvals have found it difficult to proceed within the timelines prescribed by the Zoning Code. In 2009, City Council amended the Zoning Code to extend the expiration dates with the expectation that the economy would recover by this year. The code amendment specified, in part, the following allowances:

- For Land Use Review decisions that became effective between May 27, 2006 and December 31, 2008, applicants were given until June 30, 2012 to either obtain a City permit for approved development or commence the approved activity.
- For Land Divisions receiving Preliminary Plan approval between May 27, 2006 and December 31, 2008, applicants were given until June 30, 2012 to submit a Final Plat application.

These extensions have allowed many projects that would have expired to remain active, saving applicants and developers significant time and money and providing a boost to the development industry. However, because Oregon's economy has been slow to recover, BPS and BDS are proposing to extend the expiration dates to June 30, 2014. Without the proposed extension, it is estimated that up

to 300 (non land division) land use approvals would expire, and up to 140 Preliminary Plan approvals for land divisions would expire. The proposed amendment specifies that for land use approvals that became effective between May 27, 2006 and June 30, 2011, applicants will have until June 30, 2014 to either obtain a building permit, or in the case of Preliminary Plan approvals, submit an application for Final Plat approval.

The DRAC is supportive of these proposed changes in order to continue to support development in Portland as the industry continues to recover. Allowing these land use cases to expire now would present a significant burden to land use review applicants, both developers and homeowners, and would hinder the ability of Portland to strengthen its economy at a crucial period.