Agenda Item 540

TESTIMONY

185333

2:00 PM TIME CERTAIN

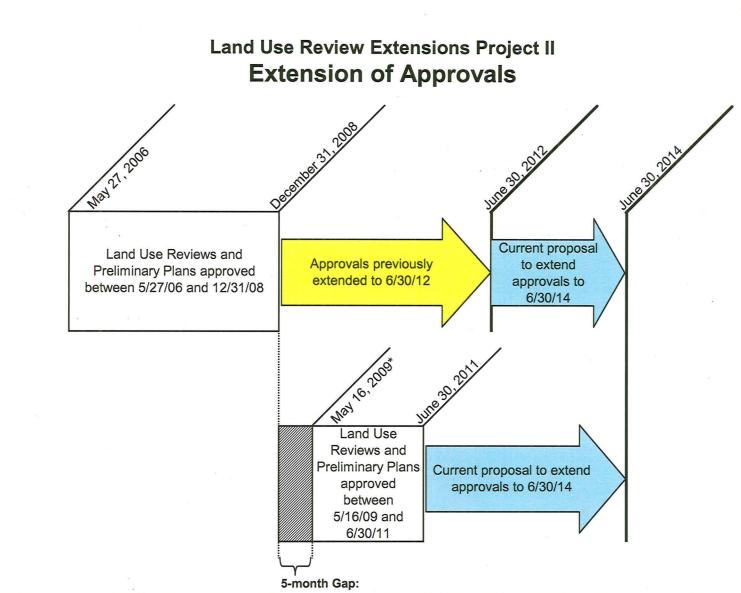
LAND USE REVIEW EXTENSION PROJECT

IF YOU WISH TO SPEAK TO CITY COUNCIL, PRINT YOUR NAME, ADDRESS, AND EMAIL.

NAME (print)	ADDRESS AND ZIP CODE	Email
Monique Dela Mare - Krahn	17729 NEI67th Ave Bruth Prairie WA a	98606 jmkrahn@me.com
Jeff-bslin	906 NW Z3. d Arenve	stiated @ adl. com
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Date 05-16-12

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Projects approved between 1/1/09 and 5/16/09 will expire by the time this proposal is effective. Therefore, they are not affected by this proposal as they will have expired.

*This date will be set at 3 years prior to the effective date of this ordinance.

185333



Date: May 3, 2012

To: Mayor Sam Adams Commissioner Nick Fish Commissioner Amanda Fritz Commissioner Randy Leonard Commissioner Dan Saltzman

AUDITOR 0

05/07/12 PM 3:40

- Cc: Susan Anderson, Director, Bureau of Planning and Sustainability Paul Scarlett, Director, Bureau of Development Services
- From: Jeff Joslin
- Re: Support for the Land Use Review Extensions Project II

Commissioners;

I initiated the consideration of this Extension process in January 2012 on behalf of a number of clients, representing numerous aspiring development projects throughout the city. As you're quite aware, the financial and real estate environments have been challenged in recent years to a degree generationally without precedent. Otherwise viable projects, unable to achieve financing in this confused market, have been put on hold. Some have been unable to sustain their carrying costs and are no longer in process. Others, forwarded by entities with faith in Portland's resilience, have continued to keep their projects alive, despite the ongoing uncertainty and expense to the prospective projects.

In 2009, City Council came to the aid of the City and the development community with the passage of Ordinance #182810. This action extended the expiration period for land use reviews. The extension will expire in June of 2012. I am writing to underscore the need for a continued extension of the expiration period for land use reviews.

The appropriateness of this request is underscored by the unanimous support of the Planning and Sustainability Commission on April 9th.

This is an urgent matter that requires immediate action

There has clearly been some stabilization in capital markets since the economic crisis that led to the earlier ordinance. Recently, some development entities have been able to achieve financing and move projects forward. However, many projects are no more able to advance today than three years ago. The projects in the most unfortunate circumstances are those for which financing is beginning to open up but whose land use approvals will expire before financing can be completed and permits obtained. For most developers, the repercussions of the crisis are ongoing, and their projects continue to be at risk.

JEFF JOSL planner + architect + urban design 503-329-21 SireiDD@act.ct 906 NW 23rd Avenue • PORTLAND, OREGON • 972 Confidence is building that the real estate economy's moving towards a genuine recovery. However, the projects that are still positioned are additionally challenged by the accruing costs of keeping their projects active. For many, having to initiate land use processes to reactivate recently approved projects would be hugely harmful – if not fatal – to their ongoing viability.

These otherwise-shovel-ready projects need all the help they can get. For some the additional time, expense, and uncertainty of coming back through land use reviews to simply be reviewed against the same criteria will be a deal-killing cost.

Concerns are valid, but the risks are negligible or addressable.

Primary purposes served by land use expirations are to ensure that projects are treated equitably, and that they are subject to the most current regulation. The list of new regulations that have taken effect since May 2009, during this lean budgetary time, is modest. Most of these recent legislative actions have generated standards that have little or no relationship to the reviews that would be affected by a further extension. If there are particular new regulations that should be applied to the previously reviewed projects, the ordinance could require that these be met either through a permit application or a minor land use review .

Another objection that I have heard to a further extension is that regulations administered by bureaus outside of the Zoning Code may also have changed. This is a modest concern, as these regulations are required to be complied with at the time of permitting.

A final potential issue I would note is that the circumstances in the area surrounding a project might have changed. A simple example might be a project that has transportation impacts, where the demands on the immediately surrounding system have increased due to new development since the review was approved. Given the modest amount of development in the time since the initial extension took affect, and the nature of projects that might benefit from the extension, no projects I've identified would warrant this concern.

Time is of the essence, the best projects will be those, already approved.

Timing for this extension is – at this moment – critical.

Projects are in a constant state of risk assessment. Without this extension, affected projects will soon need to determine whether or not to cut their losses, rather than continuing to absorb the costs necessary to keep them on hold. Developers with reviews expiring in May will very soon abandon their financing efforts as impossible given the short remaining time. Those projects without permits in hand will not have sufficient time and resources necessary to further vest their projects. In this compressed market, the loss of effort and investment to-date will typically not be absorbable by projects otherwise needing to reapply to achieve the same approvals that would sunset. Lesser projects will result. Like the adage applied to historic preservation ("the most efficient building is the one already built"), the most efficient and sustainable future project is the one already approved.

Joslin Request for Support for the Land Use Review Review Extensions Project II

Sufficient time is essential. An additional future ordinance could be anticipated

It's also essential that the extension be of useful duration in order to allow projects the flexibility they will need, and certainty the finance environment will require, to continue to support these efforts. Based on my findings, two years would be minimum, and three would be preferable. Though three years was originally prompted, two years will be workable.

If Council shares the concern about this time frame, an ordinance could prompt a re-visitation process by which the action could automatically be extended in two years without an entire new ordinance and public review process.

An alternative approach would be to develop criteria and a process to assess an extension for individual projects on a case-by-case basis. We would not recommend or support such an approach, as this would create yet more expense and uncertainty in an already tenuous environment. Such a process would likely force projects to make a public case about their financial challenges at a moment when they are most vulnerable, which could be further detrimental to their marketing and financing stability.

Summary

Help is needed, in order to ensure the efforts and expense already expended towards potentially contributory, and already approved - projects are not squandered during this time of increasingly scarce resources. This is a fair, sustainable, and wise approach in response to unprecedented challenges and committed, brave, and laudable efforts.

Thank you for your help and support in this matter. If I can provide additional information or be of assistance in any way, please don't hesitate to contact me.

Jeff Joslin

SHARON EPSTEIN 4550 SW CAMERON RD PORTLAND, OR 97221

April 18, 2012

Ms. Karla Moore-Love City Auditor 1221 SW 4th Avenue, Room 140 Portland, OR 97204

AUDITOR 04/20/12 AM10:1

185333

RE: Land Use Extension Code Amendment Project

Dear Ms. Moore-Love:

In 2008 I embarked on a project to divide the lot that my current residence is on (address above) into two lots. I received the preliminary approval for the land division in June, 2009. Unfortunately by that time my financial picture had changed (along with the Oregon economy) so that I was no longer able to expend additional funds to follow through with the plan.

I had thought that by the date for the submission of the final plan to expire (June 2, 2012) that the economy would have changed enough to allow me to proceed; however, that has not happened and I cannot get a refinance of the property that would allow me to complete the division of the land.

I understand that on May 9th there will be a City Council meeting to consider extending the time available for citizens like myself who need additional time to submit the final plat. It would be onerous for me to commit the funds required to complete the project on or before June 2nd. In checking with the BPS today I would have to pay \$2,357 in fees and would also need to submit a final plat which would cost additional funds. If I do not pay these amounts and submit the final plat the approximate \$15,000 that I have already spent would be lost.

I would like to submit this letter as testimony in support of extending the 3 year requirement for submission of a final plat. Please take the facts and circumstances noted into consideration.

I will plan to attend the May 9th meeting.

Sincerely,

Mum Epst

Sharon Epstein