

Portland, Oregon
FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Morgan Tracy		2. Telephone No. (503) 823-6979	3. Bureau/Office/Dept. Planning and Sustainability
4a. To be filed (hearing date): June 4, 2014	4b. Calendar (Check One) Regular Consent 4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: May 14, 2014
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: Improve land use and other City regulations through the Regulatory Improvement Code Amendment Package 6—Technical Amendments (Ordinance; Amend Title 16 and Title 33)

2) Purpose of the Proposed Legislation: The Regulatory Improvement Code Amendment Package 6 (RICAP 6) is the latest project of the Regulatory Improvement Workplan (RIW), a program re-established in 2013 to improve City building and land use regulations and procedures. As recommended by the Planning Commission, the package consists of over 30 amendments to the Zoning Code (Title 33) and the Vehicles and Traffic Code (Title 16). The majority of these are technical amendments to provide clarification and ease implementation. There are several recommendations that make minor changes to policy. These include amendments to the Radio Frequency (Cell Tower) chapter, in response to recent Federal rule changes, amendments to the regulations on public art and ground floor window requirements, and amendments to the temporary activities chapter. The package of amendments also includes amendments to the short-term rental regulations, which are covered under separate ordinance.

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 | | | |

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.

Implementation of these changes will be incorporated into day-to-day activities of the Bureau of Development Services. Some amendments clarify when discretionary review is needed but does not change current policy. In general, there is no anticipated significant short or long-term increase or reduction in revenue.

5) Expense: What are the costs to the City as a result of this legislation? What is the source of funding for the expense?

Implementation of these measures will be done by the Bureau of Development Services. The implementation will be incorporated into existing development review procedures. A small one-time cost will be incurred for printing the revised pages of the Zoning Code, and for training staff. These costs are already budgeted for the Bureau of Planning and Sustainability and the Bureau of Development Services.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** No positions are anticipated to be created, eliminated or re-classified as a result of these code amendments.
- **Will positions be created or eliminated in *future years* as a result of this legislation?** There are no anticipated changes in the creation or elimination of positions as a result of these code amendments. There are no anticipated long term impacts that would cause positions to be created or eliminated as a result of this legislation.

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

7) Change in Appropriations

None.

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? The majority of the RICAP 6 amendments are technical changes to clarify and/or be consistent with existing policy. They are not anticipated to impact the community. There may be some changes in the review process involved in some modifications to radio frequency facilities. These changes are occurring to bring city zoning code into compliance with current FCC requirements. The amendments to short-term rentals are described under a separate ordinance and fiscal impact document.

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? The workplan for RICAP 6 was adopted by the Planning and Sustainability Commission after a public hearing on August 13, 2013. Staff began meeting with certain stakeholders including neighborhood land use chairs, the Regional Arts and Culture Commission (RACC) and the Development Review Advisory Council (DRAC) during development of the workplan and initial issue research. A public Discussion Draft was published on January 6, 2014 with a 6 week comment period. Public notice was sent to over 750 recipients, and emails were sent to over 360 people. During this period, staff met with the Design Commission, Historic Landmarks Commission, the Planning and Sustainability Commission, six neighborhood district coalitions, and two neighborhood associations. Staff held a public open house on February 11, 2014 which was attended by approximately 75 people. During this period, staff received over 100 written comments. The vast majority of the interest and comments were on the short-term rental amendments which are part of a separate ordinance.

Notice of the *Proposed Draft* and PSC public hearing was sent to 771 recipients 30 days prior to the public hearing date to provide the public sufficient opportunity to review the proposal and to deliver testimony on the proposed code amendments to the PSC.

On April 22, 2014, the Planning and Sustainability Commission held a public hearing with approximately 90 people in attendance. The Commission received 102 written letters and emails and heard oral testimony from 37 attendees. The Planning Commission recommended the approval of the staff proposed code changes with only minor amendments. Once again, very few comments were related to the non short-term rental items.

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

Several refinements were made to the proposal through public comments and testimony received during the legislative process. These were mostly technical in nature, but also included a new standard for a noise study as part of the review of Radio Frequency facilities.

d) Who designed and implemented the public involvement related to this Council item? The Bureau of Planning & Sustainability staff designed and implement the public involvement process.

e) Primary contact for more information on this public involvement process (name, title, phone, email): Morgan Tracy, City Planner – morgan.tracy@portlandoregon.gov (503) 823-6879

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

Additional informational materials will be developed to assist the public in understanding and complying with the regulations. However, no additional public outreach is anticipated following adoption.



BSP DIRECTOR, Susan Anderson



REGULATORY IMPROVEMENT CODE AMENDMENT PACKAGES

Continually Improving Portland's Development Codes

RICAP 6 Timeline

January and February 2014

- *Public Discussion Draft*, published Jan. 6
- Staff presentations at various District Coalitions and Neighborhood Association Offices
- Public Open House, Feb. 11

March 21, 2014

- *Proposed Draft* to the Planning and Sustainability Commission published

April 22, 2014

- Planning and Sustainability Commission public hearing, 6 p.m.

May 2014

- *Recommended Draft* to City Council

June 4, 2014

- City Council Public Hearing, 2 p.m.
City Hall Council Chambers,
1121 SW 4th Avenue

July 2014

- Code amendments effective

Staff Contacts

- Morgan.Tracy@portlandoregon.gov,
Project Manager, 503-823-6879
- Julia.Gisler@portlandoregon.gov,
City Planner, 503-823-7624

What is RICAP?

The Regulatory Improvement Code Amendment Packages (RICAP, pronounced ree-cap) continually update and improve City building and land use regulations to facilitate desirable development. Changing needs, new laws and court rulings, advanced technology and innovations, and shifting perceptions require that the City's regulations be updated and improved on an ongoing basis.

Portlanders can enter suggestions for improving the City's development code into the Regulatory Improvement Requests (RIR) database on the project website. Issues that require major policy changes are not addressed through RICAP but are evaluated through separate legislative projects. Instead, RICAP addresses simpler technical matters and clarifications, or refinement of existing policy, in a typically one-year cycle. To develop these annual RICAP work plans, staff ranks items from the RIR database by evaluating the impacts of and the ability to improve the regulation, the variety of stakeholders affected, and the geographic range of the issue. To date, the City has adopted five RICAP packages.

About RICAP 6

The RICAP 6 workplan was adopted by the Planning and Sustainability Commission (PSC) in August 2013, and included 45 items. After analyzing and evaluating the items, staff proposed that 11 of the items not be amended at this time for a variety of reasons. On April 22, 2014 the PSC recommended approval of the remaining 34 items. The recommended amendments for these items are summarized on pages 2 and 3 in the following categories:

- Minor changes to existing policy (by expanding or restricting allowed uses, responding to state or federal requirements, or removing or reducing procedural barriers).
- Code clarifications to reflect the existing policy intent.

RICAP 6 Recommended Draft is available online at www.portlandoregon.gov/bps/ricap; at 1900 SW 4th Avenue, 7th Floor; or by mail. Please call 503-823-7700.

City Council Public Hearing on June 4, 2014 at 2 p.m. Testify in person at the hearing or send written comments to the Council Clerk at 1221 SW Fourth Avenue, Room 140, Portland, OR 97204, or FAX comments to 503-823-4571.

To learn more, view documents
and join our mailing list, visit:
www.portlandoregon.gov/bps/ricap



Bureau of Planning and Sustainability

Innovation. Collaboration. Practical Solutions.

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Charlie Hales, Mayor • Susan Anderson, Director



RICAP 6 Item Number and Name		Proposed Amendment
Minor Policy Items – These items include changes to existing policy or are more substantive in nature.		
12-14 Short Term Rental / Bed and Breakfast Bundle		Establish a permit (similar to Type B home occupation permit) to allow 1 and 2 bedroom short-term rentals. Retain conditional use procedure for larger rentals.
18 Radio Frequency (RF) Transmission Facilities		Address Federal Communications Commission (FCC) preemption on RF emissions, clarify Effective Radiated Power thresholds, and convert subjective language to objective standards.
20-24 Temporary Uses Bundle		Address building relocations, construction staging, commercial filming, warming/cooling centers. Clarify applicability of time limits. Restructure chapter.
25 Environmental zone development standards for MCDD projects		Extend Airport Plan District resource enhancement development standards to drainage district projects that occur outside the Airport Plan District.
35, 36 Revocable Permits		Establish a process to allow revocable permits that do not expire to continue as non-conforming uses.
43 Added Public Art for Ground Floor Windows		Remove the requirement to obtain an adjustment for Regional Arts and Culture Council approved public art in lieu of meeting ground floor window requirement.
44 Added Application of Zoning Code in right-of-way		Apply the zoning code to the public right-of-way in the historic resources overlay zone.
Clarification Items – These items correct or clarify the code to match existing policy.		
1 Attached Houses on Corner Lots		Clarify that lot dimension standards cannot be adjusted.
2 Transitional Sites		Clarify that the R2.5 setback standards apply to duplex/attached house development on transitional sites.
3 Setbacks for Wall-mounted Mechanical Equipment		Clarify that mechanical units cannot be located in setbacks.
4 Base Zone Design Standards – Garage Wall		Clarify how the 50 percent garage limitation applies for different residential structure types (attached house, detached houses, duplexes).
5-7, 9 Fence Bundle		Correct Figure 110-15 to accurately reflect current fence height regulation. Clarify fence height requirement in front/street setback for multi-dwelling zones. (No amendments to fence height regulations are proposed.)
8 Maximum Height in RH zones		Clarify applicability of the various RH zone height limits.
11 Accessory Home Occupations		Clarify most activities associated with a home occupation must occur on site to better enforce/limit activities occurring in the right-of-way.

RICAP 6 Item Number and Name		Proposed Amendment
Clarification Items – These items correct or clarify the code to match existing policy.		
15 Community Design Standards cross-reference		Clarify applicable standards for residential projects in RH, RX, C, E zones. Make exterior finish material language more consistent.
16 Convenience Stores		Clarify the responsible party, notification procedures, and address changes in store ownership. Make Neighborhood Contact requirements more consistent.
17 Interior Parking Lot Landscaping configuration		Revise figure for better clarity.
19 Recreational Fields for Organized Sports, Conditional Use Threshold		Clarify that spectator seating is calculated separate from other exterior improvements for purposes of Conditional Use thresholds. Restructure chapter.
29 Plan Districts and Overlay Zones with Design Overlay Zone		Provide consistent references for when design review is required in the various plan districts and overlay zones.
30 Columbia South Shore – retail sales		Clarify limits for retail sales in EG2/IG2 zones within the Columbia South Shore Plan District.
31 Columbia South Shore – truck parking in setback		Clarify that the Airport Way setback applies to heavy truck parking.
33 Land Division Approval Criteria in Potential Landslide Hazard Areas		Clarify that development on sites be located on areas rendered suitable to limit landslide risk. Clarify the circumstances under which any final plat can be voided.
34 Regulations in Effect at Application		Clarify that the section applies to all applications and addresses how newly adopted regulations are applied.
37 Historic Landmarks Commission and Design Commission membership		Correct membership number (from 8 to 7) to reflect current membership composition.
40 Missing information in Notice of Type III Decision		Add notification requirements for Type III decisions, consistent with other existing land use decision notices.
41 Conditional Uses – change within use category		Clarify what constitutes a change of use within the use category.
45 Added Comprehensive Plan Map Amendments		Correct the approval criteria for Comprehensive Plan Map amendments to include the requirement that the proposed map amendment must also be in conformance with Statewide Land Use Planning Goals

Here are some examples of RICAP 6 minor policy items.



Short-term Rentals – Providing flexibility for homeowners and certainty to neighbors

Recently, there has been a dramatic increase in the number of houses, apartments, and condominiums being rented informally on a short-term basis (fewer than 30 days) through Internet sites such as Airbnb and HomeAway. In Portland, Airbnb has the largest concentration of listings: over 1,550 today (up from 107 in January 2011). The most common listings are from hosts who live on their property and offer a bedroom for rent in their home. This is a new way of providing visitor lodging accommodations and Portland, like many cities, is determining how to regulate these short-term rentals.

The amendments create a new Accessory Short-Term Rental permit that will allow renting one to two bedrooms in a house, attached house, duplex, manufactured home or accessory dwelling unit where the operator lives as their primary residence. Currently, the zoning code requires a conditional use review for all bed and breakfast facilities regardless of their size. The proposed permit process offers smaller scale short-term rentals a less expensive and faster process, while ensuring that the adjacent neighbors are notified of the activity. Three-to-five bedroom short-term rentals will continue to require a conditional use review.



Radio Frequency Transmission Facilities (RFTF) – Complying with federal law and regulations

The prevalence of cell phone users and rapidly changing wireless technology continue to drive demand for more wireless sites and services. Between 2003–12, the percentage of adults living in homes with only mobile phones increased from 3 percent to 34 percent. And the number of wireless subscribers who use smart phones has doubled (23 percent to 55 percent) in just two years. To meet the growing demand, wireless carriers (also known as personal wireless services) continue to modify and add to their networks.

Chapter 33.274 Radio Frequency Transmission Facilities regulates wireless services (cell phone sites), broadcast services (radio and TV stations), and other devices that send or receive a radio frequency signal. The proposed amendments to this chapter are being made to comply with provisions in the Federal Communications Commission's (FCC) 1996 Telecom Act, which streamline the deployment of wireless phone service technologies and ensure local jurisdictions do not have unreasonable barriers for establishing wireless sites. Specifically, the amendments remove regulations related to the placement and construction of facilities based on radio frequency emissions. In addition, the amendments provide standards for some facility modifications, ensure ongoing maintenance for landscape screening, and require the removal of mounting devices on non-broadcast structures (like rooftops) if the site is no longer in use.



Commercial Filming – Starring Portland

Over the years, Portland has been used as the location for the filming of movies, TV programs and commercials. The most recent examples include the television series *Leverage*, *Portlandia* and *Grimm*. The filming activities take place in streets, open spaces and buildings throughout the city.

City policy promotes filming activities as an economic development tool, and the Portland Film Office coordinates commercial filming activities within the City's boundaries. Currently the zoning code is silent on whether commercial filming is allowed as a temporary activity at a specific location. The proposed amendments add commercial filming to *Chapter 33.296 Temporary Activities*, reflecting the City's policy to allow commercial filming as a temporary use in all zones. Filming will continue to be subject to the procedures and permits coordinated by the Portland Film Office, including a requirement for notification of affected neighborhood and business associations, and of adjacent property owners when intermittent street closures occur.