

May 26, 2020

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Portland Planning and Sustainability Commission 1900 SW 4th Avenue Portland, OR 97201

Re: Expiration Date Extension Project (Proposed Draft April 2020) Amendment to Adjust Expiration Relief to Begin March 13, 2020, to Account for COVID-19 Building Permit Processing Delays

Dear Portland Planning and Sustainability Commissioners:

We appreciate the City's efforts to provide regulatory relief and offset the economic impacts of the COVID-19 pandemic. We support the proposed Expiration Date Extension Project ("EDEP"), but request the following Amendment to ensure the EDEP goals are met and projects *directly delayed* by COVID-19 receive relief and do not expire:

<u>Amendment:</u> Revise the land use expiration exception period to include projects that had not expired on March 13, 2020, the date the Bureau of Development Services ("BDS") implemented COVID-19 permit processing restrictions. Specific Amendment language is included as Exhibit A.¹

Without the Amendment, certain projects that were valid and under review on March 13, 2020 <u>will expire before they can receive a building permit</u>. The EDEP Proposed Draft unfairly leaves out these projects by granting exceptions <u>only</u> to projects that have not expired *on the date the EDEP becomes effective* (estimated July 2020, but subject to City Council delay) rather than the date the COVID-19 restrictions began.

Our proposed Amendment is critical to provide regulatory relief to the projects most directly impacted by the COVID-19 pandemic: those with building permits under review that will expire due to COVID-19 permit processing delays.²

¹ Our Amendment text revises the exception period to include land use reviews that became effective between March 13, 2017 and January 1, 2021. Land use reviews expire 3 years after they become effective, so our change will capture land use reviews that were still valid on March 13, 2020, when the COVID-19 restrictions began. ² Our Amendment aligns the exception for land use expiration with the exceptions for pre-application conferences and neighborhood contact, which both recognize March 13, 2020 as the critical date.



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As you know, a land use review expires after 3 years if a building permit has not been <u>issued</u>. On March 13, 2020, BDS instituted new building permit processing regulations to prioritize essential service projects <u>at the expense of work on non-essential projects</u>. We agree with BDS's decision to prioritize these essential projects. However, these processing restrictions delayed critical work on and issuance of building permits for "standard" projects in the pipeline, and some of these projects are expected to expire due to the delay.

The Pearl East Office Building project ("Pearl East"), under development by our client, is directly impacted by these processing delays and in jeopardy of expiring before the City Council finalizes the EDEP. Pearl East's land use review was unanimously approved by the Landmarks Commission and City Council in July, 2017 and expires in July, 2020. The Pearl East team applied for a building permit in November, 2019. The typical building permit review time is less than 6 months and the Pearl East permit was on track to be issued on time, before July 2020. However, BDS and other City Bureaus were forced to prioritize their efforts towards other projects beginning on March 13, 2020 due to the new COVID-19 processing restrictions, putting the Pearl East project in jeopardy of expiring. While we are working closely with BDS and other associated Bureaus to obtain the permit as quickly as possible despite the COVID-19 related challenges, BDS and the other Bureaus are not in a position to recreate months of lost processing time while still prioritizing essential projects. Therefore, it is critical that the EDEP be amended to provide extensions to projects like Pearl East, whose land use reviews had not expired on March 13, 2020, but will likely expire before City Council finalizes the EDEP.

We appreciate your consideration of the critical issue.

Very truly yours,

Allison J. Reynolds

Exhibit A: Proposed Amendment Text

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Exhibit A:

Text of Proposed Amendment to PCC 33.730.130.B.1.b

Exception. Final decisions that became effective between May 27, 2006 [INSERT] <u>EFFECTIVE DATE OF THIS ORDINANCE</u>] March 13, 2017 and December 31, 2008 January 1, 2021 or between May 16, 2009 and June 30, 2011 expire if a City permit has not been issued for approved development or the approved activity has not commenced by June 30, 2014 January 1, 2024.

Note: Because land use reviews expire three years after they become effective, the proposed Amendment ensures that land use reviews that were still in effect on March 13, 2020 do not expire until January 1, 2024.