



Bureau of Planning and Sustainability
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Portland Planning and Sustainability Commission

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February 13, 2013

Portland City Council
Portland City Hall
1211 SW 4th Avenue
Portland, OR 97204

Dear Mayor Hales and City Council Members:

On January 22, 2013 the Planning and Sustainability Commission voted unanimously to forward the *Proposed Historic Resources Code Improvement Project Zoning Code Amendments* to City Council for approval.

At the hearing, the Commission heard passionate testimony from a broad spectrum of interests. While sympathetic to many of the concerns raised, the Commission understands that this project could not address all concerns and shortcomings associated with historic resource protection. While there are many components of the process beyond the scope of this project, we view this package of amendments as a common sense approach to providing much-needed relief to homeowners wishing to make minor home improvements in the City's historic and conservation districts.

In addition to the Zoning Code amendments, the Commission adds three specific requests to City Council in response to testimony:

1. Fund prompt Bureau of Development Services development of a user-friendly handout, also made available on the web, explaining how historic resources are regulated. This is in response to repeated concerns that the regulations are too complex for the general public to understand.
2. Clearly state when any potential fee reductions will be determined and, if identified, implemented. This was a common theme for all testifiers.
3. Direct the bureaus of Development Services and Planning and Sustainability to return to the Planning and Sustainability Commission after one year to evaluate the success of code amendments in achieving the project goals.

Thank you for your consideration of our recommendations.

Sincerely,

André Baugh
Chair
Portland Planning and Sustainability Commission



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



City of Portland
Historic Landmarks Commission

1900 SW Fourth Ave., Suite 5000 / 16
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Telephone: (503) 823-7300
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www.portlandonline.com/bds

January 31, 2013

Portland City Council
1221 SW 4th Avenue
Portland, OR 97204

Re: Historic Resources Code Improvement Project (HRCIP) Zoning Code Amendments

Dear Mayor Hales and Commissioners,

With this letter, the Portland Historic Landmarks Commission endorses the Historic Resources Code Improvement Project and asks for your support in approving these important code amendments.

Following the listing of the Irvington Historic District in 2010, the Landmarks Commission learned that the existing land use review requirements for historic properties resulted in a confusing, time-consuming, and expensive process for homeowners wishing to do minor work on their properties—projects like porch restoration, basement window replacement, and minor repairs. Often the cost of the land use fees exceeds the actual improvements themselves, which deters owners from making the investment or going through the proper process. Additionally, these fees and the time associated with getting permits were potentially jeopardizing the formation of other historic districts in the city.

The HRCIP document you are considering represents the most feasible way to quickly address stakeholder concerns with respect to historic design review. The creation of a new Type 1 review will provide for a speedier, less expensive review for minor home remodel projects, as most projects currently go through the more time-intensive Type 2 review. Additionally, the HRCIP document specifies a number of exemptions that will allow property owners to undertake certain projects without review due to the negligible or nonexistent impact on the historic district.

From the outset, Landmarks has understood that this project could not address all Code concerns and shortcomings. With an eight-month public process and no real budget, we understand that the HRCIP project cannot serve as a complete overhaul of the Code related to historic design review. And with no General Fund monies available to subsidize historic design review, we understand that compromises are necessary to achieve the ultimate goal of a more equitable review process. For instance, the formation of a new Type 1 review for minor projects means giving up local appeal rights. Landmarks recognizes there is stakeholder concern surrounding the loss of local appeal for these minor reviews; however, we believe it is a reasonable compromise

given the overall objectives of this project, including reducing cost and providing for an expedited review.

Another area of stakeholder concern has been the use of square-footage triggers in determining whether a project would fall into a Type 1 or a Type 2 review category. Because the current Code is based on these triggers, we understand that it is outside the scope of this project to completely revamp the approach to determining review thresholds. Initially, a 200-square-foot trigger was proposed by Staff, but after hearing testimony from stakeholders and discussions amongst Commission leadership, it was decided that a 150-square-foot trigger would be a more appropriate delineation between small and large projects. While all projects must still meet historic design review approval criteria (unless the work scope is specifically exempted), larger projects—which have the greatest potential for negative effects on a district—would still go through a Type 2 and have the opportunity for local appeal.

Additionally, Landmarks is supportive of defining a number of minor building improvements or alterations, which we believe do not necessitate review and should therefore be exempted. This not only alleviates costly fees to homeowners, but also reduces staff review time. These exempt items include the replacement of basement windows, creation of basement egress windows, accessibility structures, storm and screen windows and doors, light well improvements, skylights and roof hatches, removal of fire escapes, small accessory structures, radon mitigation systems, and improvements under 150 square feet made to non-street-facing facades on non-contributing buildings in historic districts. Many of these items are related to safety and energy efficiency and would have minimal irreversible impacts on districts.

Lastly, after hearing testimony that the Code needs to be more user-friendly and accessible to homeowners, the Landmarks Commission is committed to facilitating the creation of guidance documents to assist property owners in understanding historic design review requirements. This could include the compilation of a matrix or issue-specific user guides. We believe these types of home-owner resources will alleviate stakeholder concerns that the HRCIP revisions are still not understandable to the layperson. While we find that the HRCIP improvements do increase clarity within the Code, we also recognize that the Code is inherently technical in nature. Therefore, we believe separate homeowner handouts to help with code interpretation (akin to other handouts BDS provides on common questions such as basement and attic conversions) are the most appropriate avenue for providing user-friendly information.

The Landmarks Commission applauds Staff's efforts in creating this HRCIP document in such a compressed time frame, as it addresses many important issues. While it does not rectify all shortcomings related to historic design review in Portland, it provides some much-needed relief to homeowners wishing to make small improvements to their properties and to staff, who currently expend significant time fulfilling Type 2 review requirements. Although the Landmarks Commission has no control over setting review fees, we hope that these changes will ultimately result in reducing the overall costs and time associated with compliance.

The Commission believes that we are in a critical window of time where these code improvements must be approved or we risk shelving the entire project with no clear opportunity for their reevaluation in the near future. Upon receiving the unanimous support of the Planning & Sustainability Commission, we ask that you resolve to pass the Historic Resources Code Improvement Project Zoning Code Amendments.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carrie R", with a long horizontal flourish extending to the right.

Carrie Richter
Chair

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

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

1. Name of Initiator Jay Sugnet		2. Telephone No. 823-5869	3. Bureau/Office/Dept. Planning and Sustainability
4a. To be filed (hearing date): February 13, 2013	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: February 6, 2013
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 Title 33, Planning and Zoning to make it easier for property owners to do minor home improvements in the City's historic and conservation districts. (Ordinance; Amend Title 33, Planning and Zoning)

2) Purpose of the Proposed Legislation:

Under the City's current regulations related to historic resources, the majority of exterior development proposals are reviewed through historic design review. While historic design review provides for flexibility and public dialogue, it also takes time and money on the applicant's part. The overall purpose of this project is to reassess when historic design review is necessary and appropriate.

This project recommends clarifying terminology related to historic resource regulations, establishes an appropriate level of review in historic and conservation districts for minor alterations to structures, and creates a new land use review procedure with a shorter timeline with no local appeal.

The amendments are proposed to have an effective date of May 1, 2013 to allow the Bureau of Development Services time to make changes to the TRACS permitting system and to amend the land use services fee schedule.

3) Which area(s) of the city are affected by this Council item?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <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.

The proposal will neither generate nor reduce 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?

BDS one-time costs -

A) BDS staff time (cost) to make necessary computer programming changes in TRACS associated with creating a new procedure type. Also, changes to TRACS fee intake and how it relates to SAP. Estimate: \$55,000

B) BDS staff time (cost) to establish a new fee for the new procedure type, outreach, drafting an ordinance and other required documents, taking that ordinance to Council, outside of the annual cycle of fee ordinances that BDS takes to City Council. Estimate: \$1,200

C) BDS staff time (cost) to amend BDS forms, brochures, templates, and website information, as well as create new brochures to assist customers doing renovation/remodeling work in historic districts such as Irvington. Estimate: \$5,800

The source of funding for these expenses is uncertain at this time.

BDS ongoing costs of administration - The proposal is expected to reduce Bureau of Development staff time by making some exterior changes to buildings exempt from Historic Resource Review, and by providing greater clarity to current regulations. This will help to offset the increase in workload BDS is experiencing from the relatively recent expansion of the Irvington Historic District, which resulted in more properties being subject to Historic Resource Review when they renovate/remodel, and in turn increasing BDS workload. BDS will establish a fee for the new review procedure to cover the anticipated costs of this new review procedure.

6) Staffing Requirements:

- Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?
No.
- Will positions be created or eliminated in *future years* as a result of this legislation?
No.

7) Change in Appropriations

No change in appropriations is proposed.

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?

No negative community impacts are anticipated as part of this proposal. Property owners in historic districts will benefit in a number of ways: the regulations will be more clear; some simpler renovation projects will be exempt from historic review; and other renovation projects will be subject to historic review, but will benefit from the new faster review procedure and expected lower fee.

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?

<u>Project Briefing/Review</u>	<u>Date</u>	<u># of public participants</u>
DRAC Subcommittee	June 12, 2012	3
Bosco-Milligan Foundation	June 22, 2012	2
Historic Landmarks Commission	July 23, 2012	14
Planning and Sustainability Commission	July 24, 2012	16
Buckman NA	September 13, 2012	15
Irvington CA	September 13, 2012	14
SEUL LUTC	September 17, 2012	12
Historic Landmarks Commission briefing	October 8, 2012	10
Planning and Sustainability Commission briefing	October 9, 2012	22
Irvington Land Use Committee	October 10, 2012	7
Remodelers Association	October 11, 2012	8
Portland Coalition for Historic Resources	October 11, 2012	12
Development Review Advisory Committee	October 18, 2012	16
Portland Coalition for Historic Resources	November 16, 2012	8
Downtown Neighborhood Association	November 19, 2012	8
NECN LUTC	November 28, 2012	12
Historic Landmarks Commission hearing	December 10, 2012	30
Historic Landmarks Commission Leadership	December 14, 2012	3
Portland Coalition for Historic Resources	January 16, 2012	11
Planning and Sustainability Commission hearing	January 22, 2012	35
<u>Mailed Notice</u>		
August email	August 8, 2012	24
September email / press release	September 12, 2012	683

October email	October 4, 2012	46
November email update	November 16, 2012	269
Notice of Planning and Sustainability Commission hearing	December 21, 2012	277
Notice of City Council hearing	February 13, 2013	~280

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

Stakeholders influenced the process and products throughout. Specifically, staff met with the organizations listed above at key milestones of the project and attempted to address all concerns raised. Many issues were out of the project scope, but many ideas generated by the stakeholders were included in the recommendation. These ideas include the concepts of regulating street-facing facades differently than non-street facing, differentiating between contributing and non-contributing resources, as well as a number of exemptions that were requested throughout the process.

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

Jay Sugnet and Diane Hale

e) Primary contact for more information on this public involvement process (name, title, phone, email):

Jay Sugnet, Senior City Planner, 823-5869, jay.sugnet@portlandoregon.gov

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

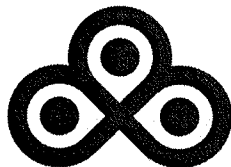
The Bureau of Development Services will create new forms summarizing how historic resources are protected in the city's historic and conservation districts. The BDS Forms Committee will reach out to participants in the Historic Resources Code Improvement Project process for ideas and feedback on the content of those forms to ensure usability by homeowners and remodelers.

The Bureau of Development Services will establish a fee for the new land use review procedure created through this code amendment project.

Susan Anderson, Director
Bureau of Planning and Sustainability



APPROPRIATION UNIT HEAD (Typed name and signature)



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

Council Transmittal Memo

DATE: February 13, 2013
TO: Mayor Charlie Hales and Members of City Council
FROM: Susan Anderson, Director

1. **Ordinance Title:** Amend Title 33, Planning and Zoning to make it easier for property owners to do minor home improvements in the City's historic and conservation districts. (Ordinance; Amend Title 33, Planning and Zoning)
 2. **Contact:** Jay Sugnet, Senior City Planner, 3-5869
-
3. **Council Date:** February 27, 2013 time certain at 9:30 a.m.
 4. Consent Agenda Item Regular Agenda Item
 Emergency Item (explain below) Non-Emergency Item
 5. **Purpose of Agenda Item:** This Ordinance will amend the Zoning Code making it easier for homeowners to do minor home improvements in the City's historic and conservation districts.
 6. **History of Agenda Item/Background:** This quick 8-month legislative process was requested by Commissioner Saltzman in response to concerns raised by residents in the City's historic and conservation districts about the high cost and time consuming historic review process. The bureaus of Development Services and Planning and Sustainability cobbled together resources to conduct this expedited process and identified a number of code amendments that provide greater clarity and predictability in the historic review process. It is anticipated that this package of amendments will allow the Bureau of Development Services to reduce fees for the recommended new Type I Historic Resource Review.



- 218281
7. **What individuals or groups are or would be supportive or opposed to this action?** This package of amendments is supported by the Historic Landmarks Commission and the Planning and Sustainability Commission. Letters from both commission are included in this packet. In addition, the Portland Coalition for the Preservation of Historic Resources is also supportive of the recommendation. The Coalition was formed at the beginning of the process and is comprised of historic resource professionals and representatives for each of the City's historic and conservation districts.

Although there is general support for the proposal, individual members of the Coalition and other stakeholders have expressed concerns throughout the process related to the following:

- *A desire to address broader issues related to historic resources that were deemed out of scope for this expedited process.*
 - *Concern with the triggers for exemptions and reviews.*
 - *Concern with no local appeal for the new Type I review.*
 - *A desire to allow solar systems in historic districts.*
 - *Concern with the notice and designation process for districts.*
 - *Concern with the street facing definition.*
8. **How does this relate to current City policies?** The code amendments are supportive of current City policies by strengthening the overall effectiveness of the City's historic resource protection program.