

## IMPACT STATEMENT

**Legislation title:** Establish a program to provide incentives, training, and technical assistance to promote voluntary deconstruction as a viable alternative to mechanical demolition (Resolution)

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### **Purpose of proposed legislation and background information:**

Portland's economy has been growing steadily following the recession. As the housing market recovers, Portland's neighborhoods have seen an increased number of demolitions each year. On July 31, 2014 the Portland Historic Landmarks Commission's delivery of the State of the City Preservation Report noted the increase in demolitions and asked City Council to address a number of related issues. As a result, City Council directed the Bureau of Development Services (BDS) and the Development Review Advisory Committee (DRAC) to review and propose code changes to demolition delay and notification requirements. BDS returned to City Council in winter of 2014/2015 with proposed code changes. At a February 12, 2015 hearing, City Council adopted the proposed demolition code changes and directed the Bureau of Planning and Sustainability (BPS) to return to Council with recommendations on how to advance deconstruction as an alternative to traditional mechanized demolition. In April 2015, BPS established a Deconstruction Advisory Group (DAG) that met four times to discuss deconstruction incentives and advise BPS on the development of incentive and program recommendations.

The proposed resolution will:

- Establish a financial incentive program for deconstruction.
- Foster an emerging industry through training and technical assistance.
- Promote deconstruction as a viable alternative to mechanized demolition and increase overall deconstruction activities.
- Support current efforts in both the Climate Action Plan Update and the Comprehensive Plan Update.
- Act as a pilot program to inform possible mandatory requirements for salvage.
- Require that BPS return to City Council in September of 2016 with an update on the outcomes of the program and next steps.

### **Financial and budgetary impacts:**

This resolution establishes a program to promote voluntary deconstruction through financial incentives, training, and technical assistance. Sources of short-term funding (FY 15/16) may include the Solid Waste Management Fund Reserves. BPS will pursue additional sources of funding regional and state agencies. Existing BPS staff resources are expected to cover the administration of the program.

### **Community impacts and community involvement:**

The program will establish financial incentives, training and technical assistance to contractors/building owners that voluntarily pursue deconstruction for the removal of buildings.

Deconstruction provides affordable building materials for the community as well as high-quality materials for housing and commercial interiors. Deconstruction also reduces the likelihood of neighboring properties and material recovery facility workers being exposed to hazardous materials such as asbestos, lead, and mercury. Deconstruction contributes to the local economy by creating six jobs for every one associated with mechanical demolition. In addition, deconstruction creates employment opportunities for contractors, retailers, designers, and carpenters.

The Deconstruction Advisory Group (DAG) consisted of a wide-range of industry experts and community stakeholders. DAG representation and interests included:

- Deconstruction/salvage experts (for- and non-profit),
- Building contractors/developers,
- Historic preservation,
- Building material recycling/hauling,
- Neighborhood/community interests,
- Staff from Bureau of Development Services (BDS),
- Members of Development Review Advisory Committee (DRAC).

The DAG met a total of four times during April and May of 2015. Meetings and work sessions were advertised on the BPS calendar and several members of the public attended the DAG meetings. Meeting agendas and meeting minutes were posted on BPS' webpage.

BPS expects several groups to testify in favor of the resolution including neighborhood activists, deconstruction/salvage firms, builders/contractors, and sustainability allies. Some testimony may include a call for a more aggressive approach to increase deconstruction activity. Additionally, since deconstruction is associated with the demolition of buildings, tangential testimony about discouraging demolitions and the scale/character of replacement buildings is also likely.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

- YES:** Please complete the information below.
- NO:** Skip this section

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