



ADMINISTRATIVE SERVICES COMMITTEE

Agenda

Wednesday, June 4, 2014
3:30 pm

Madison Avenue Meeting Room
500 SW Madison Avenue

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| Discussion/ Possible Action | I. Board and Commission Sunset Review:
Economic Development Commission
(Attachment) |
| Discussion/ Possible Action | II. Land Use Application Fee Review
(Attachment) |
| Discussion/ Possible Action | III. Neighborhood/Property Maintenance Code Program
(Attachment) |
| Information | IV. Other Business |

Next Scheduled Meeting

Wednesday, June 18, 2014 at 3:30 pm
Madison Avenue Meeting Room, 500 SW Madison Avenue

Agenda

Visit Corvallis Third Quarter Report
Downtown Corvallis Association
Economic Improvement District Third Quarter Report
Third Quarter Operating Report
Republic Services Annual Report
Casco Telecommunications Franchise

Memorandum



To: Administrative Services Committee
From: Tom Nelson, Economic Development Manager
Date: May 29, 2014
RE: Sunset Review of the Economic Development Commission

I. ISSUE

The Economic Development Commission (EDC) is scheduled to sunset the end of fiscal year 2014-15. This report is forwarded for review regarding a four-year reauthorization.

II. DISCUSSION

The EDC was formed on December 6, 2010, when the City Council passed Ordinance 2010-28, which established the Economic Development Commission to advise the City Council in all matters pertaining to Economic Development, ensuring that Economic Development is a civic priority.

Subsequently, the EDC developed an Economic Development Strategy, adopted by the City Council, and the Economic Development Office was established. Two employees were hired to implement the strategy. The EDC advises staff on the implementation of the strategy, as well as advising and recommending economic development policy to the Council.

The EDC met on May 27, 2014 and discussed the impending sunset. They voted to recommend continuation of the commission based on the following points:

- There is still work to be done in the area of economic development
- In their November 2013 report to the City Council, the reported priorities for 2014 that still need completion include:
 1. Continued support for existing and emerging businesses, expecting increased Enterprise Zone activity
 2. Monitor impact of the JOBS ACT (2012)
 3. Exploration and collaboration on Urban Renewal District possibilities
 4. Implementation of RAIN and OSU Advantage Accelerator
- They believe that Economic Development is a core activity in City government
- They believe the collaboration with the County is valuable
- Staff values the direction from the EDC

- The Council's Economic Development Policy 96-6.03.055 calls for the appointment of an Economic Development Commission.

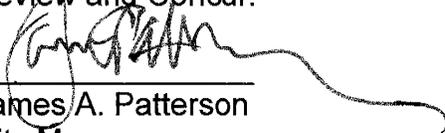
III. RECOMMENDATION

The Economic Development Commission and staff recommend continuation of the Economic Development Commission as a means of continuing the core activity of economic development in City government.

IV. ACTION REQUESTED

Staff requests that the Administrative Services Committee recommend the City Council approval a four-year reauthorization of the Economic Development Commission.

Review and Concur:



James A. Patterson
City Manager

Section 1.16.337 Economic Development Commission.

- 1) An Economic Development Commission is hereby created for the City.
- 2) The Commission shall consist of nine (9) voting members appointed by the Mayor. Appointments to the Commission should reflect expertise and experience in business, technology, strategic planning and public policy development.
- 3) Membership will be selected from the following areas, recognizing that members may represent multiple interests:
 - a) Emerging technology;
 - b) Manufacturing;
 - c) Financial Services;
 - d) Professional Services;
 - e) General Business;
 - f) Higher Education;
 - g) Health Care;
 - h) Agribusiness;
 - i) Retail;
 - j) Real Estate and Construction;
 - k) Green/Sustainable Business;
 - l) Community-at-large.
- 4) In addition, the Mayor shall appoint a City Councilor to serve as a non-voting liaison to the Commission.
- 5) The Commission shall advise the Council in all matters pertaining to Economic Development, ensuring that Economic Development is a civic priority. Such matters shall include, but not be limited to, the following:
 - a) Recommend general policies, strategies and programs regarding economic development for approval to the City Council.
 - b) Develop a strategic plan to implement the Council's Economic Development Policy.
 - c) Collaborate with other governmental agencies, non-profit, and for-profit organizations in the advancement of economic development programs and projects.
 - d) Recommend funding strategies to support an ongoing Economic Development Program.
 - e) Recommend funding strategies to support economic development projects.
- 6) The functions of the Commission may be accomplished using subcommittees, task forces, or stakeholder committees.
- 7) Initial appointment. Commissioners shall serve the following terms: one year for 3 members, two years for 3 members, and three years for 3 members.

(Ord. 2010-28, 12/06/2010)

MEMORANDUM

From: Ken Gibb, Community Development Director 
To: Administrative Services Committee (ASC)
Date: May 23, 2014
Re: Yearly Review of land use application fees – FY 14 - 15

I. Issue

In past years, the City Council has conducted a review of land use application fees and adopted a schedule of fees that typically take effect on January 1 of the following year. This year it was proposed to change the schedule for consideration of land use application fees so that new fees would be put in place at the beginning of each fiscal year, based on data from the prior calendar year. This will allow decisions on land use fees to better coordinate with the budget process. A Land Development Code Amendment is currently under consideration to change the effective date for new land use fees from January 1 to July 1 of each year (LDC Section 1.2.100.02). Additionally, in November of 2013, the City Council approved an extension of the land use application fees in place at that time until July 1, 2014, to allow time for the preparation of a new fee methodology. It is now time to establish land use application fees for the period following July 1, 2014.

State law and Land Development Code Section 1.2.100.01 require land use application fees to not exceed the actual or the average cost of processing such applications. Corvallis has been basing fees on the average cost since at least 1998. The average costs are based on the funding for Current Planning in the Community Development Department's budget and an analysis of the efforts associated with each type of application. This year's update is presented below, and further direction is requested.

II. Background

In recent reviews of land use application fees, an analysis has been conducted to determine the average number of land use actions considered and the associated level of effort. Dividing the cost of providing the service by the yearly level of effort allows the

average cost to be determined for each application type. However, in past reviews, the time spent on land use applications has been based on best estimates of staff time in various activities. Beginning in January of 2014, Planning Division staff have begun “coding” their time spent in various activities, to develop a more precise understanding of time spent on current land use applications, and time spent on other tasks. The system that was developed (which uses the new Accela permit-tracking software, and which will be refined over time) divides time between current and long range planning activities. Current planning activities include activities such as answering counter questions and phone calls as the planner-on-duty, staff meetings, field visits, landscaping reviews, time spent on land use applications, training, organizational upkeep, and technology development and maintenance. Long Range planning activities include items such as the Package # 1 LDC Amendments, development of design standards for infill development, and OSU Collaboration work.

III. Analysis

Preliminary data (based on data only from the last four months) would suggest that about 39% of planners’ time is spent on land use applications. However, it is evident that this is a limited sample and staff believe that the time coding system should be further refined. Staff would also like to further explore with the City Attorney’s Office to what extent certain current planning activities could be supported through land use application fees, as there has been recent case law that relates to the costing of land use application fees.

Because more time is needed to provide a solid base of data, and to allow for needed refinements to the time coding system, Community Development Staff recommend that the current fee schedule be extended for FY 14 – 15. By the time of the next review, in the spring of 2015, better data and an improved time coding system should enable staff to recommend land use application fees that are accurately calibrated to the actual amount of time spent on land use applications.

IV. Direction Requested

Although not legally required, with past reviews of land use application fees the Administrative Services Committee has asked staff to prepare fees based on direction given at an initial meeting and then to provide notice to the general public and the development community of an Administrative Services Committee meeting to allow review and comment on those proposed fees. However, Staff are recommending that the current land use fees be extended for FY 14 - 15. Therefore, since no change in fees is proposed at this time, the Administrative Services Committee may want to forward this proposal to the City Council for their consideration. A formal public input

opportunity would be scheduled for the next fee review, as part of the review process for land use application fees based on the improved methodology and additional data. Staff have prepared a draft FY 14 - 15 Fee Schedule (**Attachment 1**) that moves forward current land use application fees. The Administrative Services Committee is provided with the following two options:

Option		Potential Fee Increase
1	Direct Staff to prepare a fee schedule for City Council review and adoption that maintains 2014 land use application fees through June 30, 2015.	No proposed increase in fees. Maintain current land use application fees (Attachment 1).
2	Direct Staff to prepare a fee schedule for City Council review and adoption that modifies the current fees to increase or decrease cost recovery from the current 70% level for 2014 fees, through June 30, 2015, based on the prior methodology for land use fees.	_____% Fee Increase or Decrease for Special and General Development Application Types

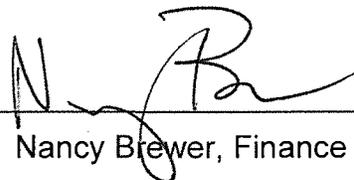
If Option 1 is selected, the proposal to maintain current land use application fees will move forward to the City Council for consideration. If Option 2 is selected, Staff will prepare a notice for publication and distribute the notice to the general public and to the development community regarding an upcoming ASC meeting at which public comment regarding the proposed changed fees will be heard. Following this second ASC meeting, Staff will make any ASC-recommended adjustments to the fee schedule for presentation to the full City Council.

For informational purposes, staff have included analysis of sample land use application fees charged by comparator jurisdictions in Oregon, which was prepared in FY 12 – 13. (**Attachment 2**).

Review and Concur:



Jim Patterson, City Manager



Nancy Brewer, Finance Director

ATTACHMENT 1 - DRAFT - FY14-15 Land Use Application Fees¹ (Effective __?, 2014)

Table 1: Special Development (70% Cost Recovery, unless otherwise noted)		Base Fee	Per Unit Add-on
Appeal			
	<i>Appeal of Administrative-Level Decision</i>	\$250	
	<i>General</i>	10% of Base Fee ²	
	<i>Recognized Neighborhood Association</i>	5% of Base Fee ²	
Annexation (with per acre add-on and \$100 survey verification fee³)			
	<i>Major</i>	\$9,173	\$132
	<i>Minor (including Health Hazard)</i>	\$2,708	
Comprehensive Plan Amendment		\$11,084	
Conditional Development (including Willamette River Greenway CD)			
	<i>Residential (per lot add-on)</i>	\$6,857	\$41
	<i>Non-residential (per 100 sq. ft. add-on)</i>	\$6,857	\$8
	<i>Modification</i>	\$2,796	
District Change			
	<i>Standard</i>	\$5,216	
	<i>Minor Annexation (including Health Hazard)</i>	\$1,304	
	<i>Historic Preservation Overlay (0% cost recovery/5-yr. average)</i>	no fee	
	<i>Administrative</i>	\$2,608	
Planned Development			
Conceptual Development Plan			
	<i>Residential (per acre add-on)</i>	\$7,347	\$81
	<i>Non-residential (per acre add-on)</i>	\$7,347	\$81
Detailed Development Plan			
	<i>Residential (per lot add-on)</i>	\$7,838	\$47
	<i>Non-residential (per 100 sq. ft. add-on)</i>	\$7,838	\$9
Conceptual and Detailed Development Plan			
	<i>Residential (per lot add-on)</i>	\$8,328	\$50
	<i>Non-residential (per 100 sq. ft. add-on)</i>	\$8,328	\$10
Major Modification to P.D.			
	<i>Residential (per lot add-on)</i>	\$7,347	\$44
	<i>Non-residential (per 100 sq. ft. add-on)</i>	\$7,347	\$9
P.D. Nullification		\$5,216	
Minor Modification		\$3,260	
Subdivision Tentative Plat			
	<i>Non-residential</i>	\$6,857	\$41
	<i>Modification</i>	\$3,260	
	<i>Major Replat</i>	\$7,809	\$1
	<i>Residential (Admin.)</i>	\$6,368	\$38
Historic Preservation Permit			
	<i>HRC-level (0% cost recovery/5-yr. average)</i>	no fee	
	<i>Director-level (0% cost recovery/5-yr. average)</i>	no fee	
Director's Interpretation		\$1,956	
Land Development Code Text Amendment		\$5,216	
Extension of Services		\$9,128	

Table 2: General Development (70% Cost Recovery)		
Minor Replat	\$1,304	
Lot Development Option (Minor)	\$1,304	
Lot Development Option (Major)	\$3,912	
Lot Line Adjustment	\$326	
Partition	\$3,260	
Plan Compatibility Review	\$652	
Vacation	\$1,301	
Sign Permit	\$62	
Sign Variance	\$3,254	
Solar Access Permit ⁴	\$652	
Floodplain Development Permit Variance ⁵	\$3,912	

Notes

1. Deposit - With the exception of appeal fees and historic preservation permits, Special Development land use applications (Table 1) shall be submitted with a \$1,000 deposit. General Development land use applications (Table 2) shall be submitted with a \$100 deposit. Following a determination of the actual extent of the request, the remainder of the fees shall be charged to the applicant. Applications shall be deemed incomplete until all fees have been paid.

Concurrent Application Fees - Where development requires concurrent actions, the largest of the fees determined from Table 1 or Table 2 shall be charged, and 75 percent of the fee for each additional action shall be charged.

2. For appeals of concurrent applications, a percentage of the single highest base fee shall be charged, without inclusion of add-on fees.
3. Beginning in 2013, a survey review fee of \$100 will be charged in conjunction with each Annexation application to fund the City Surveyor's time needed to review and confirm surveyed boundaries of each annexation.
4. Beginning in 2013, a fee has been established for review of a Solar Access Permit.
5. With adoption of Chapter 2.11 - Floodplain Development Permits, in 2011, there is a need for a fee for a Floodplain Development Permit Variance (no fees are charged for Floodplain Development Permits).

Attachment 2 - Comparator Cities Land Use Application Review Fees Update Selected Special Development Fee Comparisons

(FY 2012-2013 Comparators)

Jurisdiction	Comp. Plan Map Amendment (5- acre)	Zone Change (5-acre)	Annexation (200 lots;50 acres)	Conditional Use Permit (Non-residential)	Residential PD & Subdivision (100 lots; 25 acres)	Subdivision (100 lots; 25 acres)
Albany ¹	\$ 3,301	\$ 3,301	<i>varies</i>	\$ 2,643	\$ 14,110	\$ 8,301
Bend ²	\$ 18,672	\$ 5,689	\$ 87,850	\$ 3,099	\$ 29,376	\$ 29,276
Eugene ³	\$ 8,778	\$ 3,984	\$ 17,489	\$ 6,797	\$ 23,228	\$ 9,608
Gresham ⁴	\$ 11,516	\$ 11,516	\$ 84,858	\$ 6,203	\$ 53,619	\$ 42,988
Lake Oswego ⁵	\$ 10,153	\$ 10,153	\$ 144,200	\$ 4,984	\$ 26,695	\$ 26,695
Salem ⁶	\$ 1,085	\$ 4,257	\$ 14,467	\$ 2,379	\$ 6,719	\$ 6,865
Springfield ⁷	\$ 13,719	\$ 5,178	\$ 154,995	\$ 3,828	\$ 34,664	\$ 80,367
Other Cities (Averages)	\$ 9,603	\$ 6,297	\$ 83,976	\$ 4,276	\$ 26,916	\$ 29,157
Other Cities (Median Values)	\$ 10,153	\$ 5,178	\$ 86,354	\$ 3,828	\$ 26,695	\$ 26,695
Corvallis (current)	\$ 11,084	\$ 5,216	\$ 46,049	\$ 6,857	\$ 20,954	\$ 10,168

Footnotes:

¹ City of Albany: Annexation fee per adopted schedule "varies"; Add-ons for traffic report review(\$660) and Design Standards review (\$289); Final Plat review (\$665)

²City of Bend: 4% surcharge on all land use fees to fund Long Range Planning program; Bend charges the full rate for concurrent applications; Final Plat fees (partition): \$531; Final Plat fees (subdivision): approx. \$600 (depending on # of lots); Property Line Adjustment (\$1,245);Annexation process in Bend under review / remand (so fee is negotiated)

³City of Eugene: additional fees for final plat review (\$5,332.28 + \$32.70/lot)

⁴City of Gresham: charges full fee amount for each application when processing concurrently; Final Plat review fees (\$1,421 + \$94/lot)

⁵ City of Lake Oswego; Final Plat Review (\$370); Records Retention Fees (\$104)

⁶City of Salem: charges additional fees for archiving documents not filed electronically (50 cents / page); charges actual cost of processing in addition to the base fee for Comp Plan Amendment;Final

⁷City of Springfield: Planned Development equated to Master Plan review

Memorandum

May 27, 2014

To: Administrative Services Committee

From: Ken Gibb, Community Development Director 

Re: Continued ASC Consideration of a Neighborhood Outreach/Property Maintenance Code Program

I. Issue

As discussed at the conclusion of the April 9, 2014 Administrative Services Committee meeting, Staff are providing follow-up information regarding suggestions/direction offered by the Committee as an outcome of that meeting.

II. Background

In ASC meetings up to and including the April 9 meeting, staff presented various program concept and element descriptions relative to implementation of a Corvallis Neighborhood Outreach/ Education and Property Maintenance Code Program. The initiative to work toward implementation of this Program arose from City Council direction, which was based on the work carried out in support of the Corvallis/OSU Collaboration project by that project's Neighborhood Livability Work Group and Steering Committee. The Program has been envisioned to include an expanded education and outreach effort targeted at landlords, tenants, neighborhood residents, and other community members; enhanced coordination with OSU related to housing and community livability issues; and a comprehensive property maintenance code compliance program to be applied to all real property in the City to help address community and neighborhood livability conditions.

At the conclusion of the April 9 ASC meeting staff were asked to prepare feedback regarding suggested direction provided by ASC members relative to two issues: 1) implementing a focused effort to address the current backlog of open Code Enforcement cases in Development services; and 2) continuing consideration of the implementation of a new and expanded model for achieving code compliance relative to community livability issues. The information that follows provides that feedback.

III. Discussion

Before providing the feedback noted above, staff would like to offer clarification relative to misunderstandings about current code enforcement efforts and past program considerations that have been communicated to ASC in prior meetings during visitor comments. The first area of misunderstanding involves backlogs in open code enforcement cases. Public testimony offered to ASC has suggested that there continue to be unresolved Housing Division/Rental Housing Code (RHC) cases; actually there are typically very few, at most, open RHC cases at any given time. There are currently approximately 700 open Development Services Division/Code Enforcement

Program cases. However, it is important to note that there are often multiple items associated with each case, and that each of those items is identified as a separate case in the City's tracking system. Further, as described in the Staff report for the April 9 ASC meeting, a significant percentage of the outstanding cases are related to Building Code matters and as reflected later in this report, those cases will remain with the Development Services Division.

A second area of misunderstanding communicated to ASC involves past decisions by the City's Human Services Committee (HSC) to make only minor changes to the Housing Division's Rental Housing Code rather than undertaking a more expansive overhaul. It has been suggested that after identifying areas where added code standards could be helpful during the last two HSC annual program reviews, staff chose not to add those standards. The decisions to delay amending the Rental Housing Code were actually made by HSC based on staff's acknowledgement that the City/OSU Collaboration effort was focusing on the implementation of expanded property maintenance standards (in September 2012), and then again in September 2013 based on direction that had been received from the City Council to proceed with development of a new Property Maintenance Code.

Implementing a focused effort to address the current backlog of open Code Enforcement cases in Development Services:

Staff have been working on the implementation of a strategic effort to address the current backlog of open Code Enforcement cases for several months, so this ASC recommendation is timely. The reorganization that has been proposed as part of the Neighborhood Outreach/Education and Property Maintenance Code (NOE/PMC) program was designed in part to address this need. It is understood that a future version of the NOE/PMC is yet to be defined. However, independent of that work, staff believe that a more comprehensive effort to address neighborhood livability issues is warranted. Therefore staff will proceed with a reorganization under which the current Code Enforcement Supervisor position and a .5 FTE levy-supported Code Enforcement Officer position will be moved from Development Services to the new Housing and Neighborhood Services Division. Within this Division, these positions will focus on community livability-related code compliance work; the titles of these positions will change to become the Code Compliance Supervisor and Code Compliance Officer.

As that reorganization occurs, Development Services will fill a vacant full time position to begin addressing the backlog of building code-related open cases. In addition to that position, other current inspection staff will assist with this effort and as needed, contracted inspection services will be utilized. Finally, in recognition of the ongoing case load associated with building code compliance issues, staff are developing new approaches to resolving these types of cases.

The reorganization efforts described above will be implemented under current operating budgets and would not require additional fees or property tax-based funding from the City's General Fund. As the transition takes place, current rental housing-related information and referral work with landlords, tenants and others will continue to occur. As future integration of rental housing and neighborhood livability code compliance efforts occurs, it is anticipated that the Housing and Neighborhood Services Division will have some limited additional capacity to expand the City's outreach and education efforts.

The earlier-envisioned, broader program related to education and outreach, coordination with OSU on student related community livability issues, and additional support for neighborhood associations will require additional funding support. However, staff do not recommend increasing the rental housing fee until such time as the City Council provides specific direction on these proposals, and suggest that any fee increases be linked to the scope of any proposed program expansion.

Continuing consideration of the implementation of a new and expanded model for achieving code compliance relative to community livability issues:

Based on ASC's April 9 discussion, it appears there is interest in following a different approach to developing a comprehensive property maintenance code, i.e., to identify and then integrate existing livability and property maintenance elements found in multiple current City codes (e.g., Corvallis Municipal Code, Rental Housing Code, Dangerous Building Code, etc.) into a single code document. Standards and language to address the gaps among them that have previously been identified would then be added.

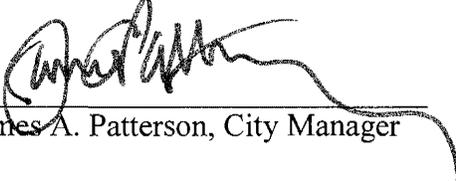
An alternate approach would be to continue with a detailed review of the model International Property Maintenance Code, modified as outlined to date by staff, and as further desired by ASC and/or City Council. Any conflicting or overlapping provisions with current city codes would be identified and then removed.

Staff will be prepared to move forward with either approach based on ASC direction. We would anticipate having further discussions with the Committee regarding specific code content over the course of the summer and early fall, with materials to be prepared for final review by October.

IV. Next Steps and Requested Action

As noted above, the Community Development Department is moving forward with a reorganization to form the Housing and Neighborhood Services Division, which will include a focus on neighborhood livability code compliance. As that reorganization effort is carried out, staff are prepared to continue working concurrently on the design of a program to expand education and outreach efforts, neighborhood support, OSU coordination, and the development of a comprehensive property maintenance code utilizing the approach desired by ASC.

Review and Concur:


James A. Patterson, City Manager



June 4, 2014

To: Administrative Services Committee

From: Sue Long, 2014 President
Willamette Association of REALTORS®

Holly Sears, Government Affairs
willamettevalleygad@gmail.com
503-931-0876

Re: Proposed Property Maintenance Code Program

On behalf of the Willamette Association of REALTORS®, thank you for the opportunity to comment regarding the proposed property maintenance code program. We have followed this process closely over the last year and have given input on several occasions. Upon review of the May 27, 2014 memo from City staff to the Administrative Services Committee, we would like to offer the following comments:

First, we are pleased to see that the City can focus on the current backlog of code enforcement cases by reorganizing and without adding new costs or raising any fees. We commend City staff for finding a reasonable solution to address this issue.

Second, we would like to thank the Committee for directing staff to consider a more scaled-back approach at its April 9, 2014 meeting. However, City staff again appears to be advocating for adoption of an entirely new and intrusive property maintenance code program. We urge the Committee to stay on the course of considering a simpler approach that includes consolidating the existing code, determining where the gaps are, and then working over time to make reasonable changes to address those gaps.

Thank you for your time and consideration

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Willamette Association of REALTORS®
541-924-9267 Phone 541-924-9268 Fax Email: realtors@waor.org

(Representing Members in Benton and Linn Counties)