

City of Portland

Bureau of Development Services
FROM CONCEPT TO CONSTRUCTION



Requested Budget
Fiscal Year 2018-19

Submitted January 29, 2018



Commissioner Chloe Eudaly
City of Portland

January 23, 2018

**To: Mayor Ted Wheeler
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Dan Saltzman**

From: Commissioner Chloe Eudaly *COE*

Subject: FY 2018-19 Requested Budget for the Bureau of Development Services

I am pleased to present the Bureau of Development Services' (BDS) Requested Budget for fiscal year (FY) 2018-19. This budget request will enable the bureau to continue moving toward its goal of providing the highest level of services to neighborhoods, permit applicants, the development industry, and the Portland community.

BDS's budget request contains three decision packages:

- DS_01 – Mandatory 5% General Fund Cut
- DS_02 – IA with City Attorney's Office for Vacant & Distressed Home Foreclosure Program
- DS_03 – IA with Office of Neighborhood Involvement for use of BDS Communications Team

I fully support decision packages DS_02 and DS_03. DS_02 will continue funding the work of 0.5 FTE Deputy City Attorney related to enforcement work on vacant and distressed homes. Vacant and abandoned houses are a major problem affecting neighborhood livability, particularly during a homelessness crisis. This position will provide general legal advice to BDS regarding the City's foreclosure program, receiverships, acquisitions, and other related issues.

DS_03 will allow the Office of Neighborhood Involvement (ONI) to make use of BDS's new Communications Team to assist with a variety of ONI communication and outreach work.

However, I am concerned with the implications of DS_01, the mandatory 5% General Fund cut. BDS receives partial General Fund support for its Enforcement Program, which provides services that benefit the entire community by enhancing neighborhood livability, public health, and safety. This program contributes directly to the City's equity and affordable housing goals by contributing to the preservation and maintenance of existing housing stock, particularly in lower-income areas with under-represented populations. The Enforcement Program is well-deserving of support from the General Fund.

While BDS has been able to absorb 5% General Fund cuts for the last several budget cycles by backfilling with program reserves, this is not a sustainable long-term approach to fund these important services. I therefore support the restoration of these monies from the General Fund. I also urge my fellow Council members to work with me to commit stable, long-term General Fund support to this vital program.

BDS continues to experience historically high workloads as a result of the strong economy and development industry. The bureau has identified several needs for additional staff positions to address remaining gaps in service levels. In order to fill those positions sooner, BDS will include them in their 2018 Spring Budget Monitoring Process (BMP) request, rather than in their FY 2018-19 Requested Budget. I support this move, as it will enable BDS to address important service needs quickly.

I am encouraged that, as it has for the past few years, BDS will again avoid increases to most bureau fees in FY 2018-19. The bureau's commitment to operating efficiently and controlling costs has been a benefit to the development industry.

The work and progress on the Portland Online Permitting System (POPS), will continue as one of my highest priorities in FY 2018-19. The successful completion of this project will make bureau services more efficient and provide much greater access to programs and information for customers and the community.

As in years past, BDS has received considerable input into its budget planning process from staff, advisory groups, and key stakeholders. The BDS Labor Management Committee (LMC), the Development Review Advisory Committee (DRAC), and the BDS Budget Advisory Committee have reviewed BDS' financial status and voiced their support for the bureau's Requested Budget. In addition, BDS's Financial Advisory Committee reviewed the bureau's financial modeling and revenue and expenditure projections, and concurred that its financial projections are reasonable and sound.

BDS has established a reputation for excellent customer service, innovation, and labor/management collaboration. The bureau and I are committed to the vision and goal of making Portland's Bureau of Development Services the best development agency in the country.



Labor Management Committee

City of Portland Oregon - Bureau of Development Services
1900 SW Fourth Avenue, Suite 5000, Portland, Oregon 97201

January 26, 2018

Commissioner Chloe Eudaly
1221 SW Fourth Avenue
Portland, OR 97204

Re: Bureau of Development Services FY 2018-19 Requested Budget

Dear Commissioner Eudaly,

Once again, Bureau of Development Services' (BDS) management and labor employees joined together to develop the bureau's annual Requested Budget. Along with BDS's Budget Advisory Committee (BAC), Financial Advisory Committee, and the Development Review Advisory Committee (DRAC), the BDS Labor/Management Committee (LMC) reviewed the bureau's financial status, revenue projections, and budget goals.

The participation of the LMC in the budget development process is a critical element of the LMC's mission to promote a collaborative and positive relationship between labor and management through building trust, fairness, and open communication. In addition, all BDS employees were asked for their input into the budget process through multiple open budget "drop-in" sessions. These suggestions will be reviewed by the LMC, and the bureau's plan is to incorporate and advance ideas that are feasible and practical in either the current or next fiscal year.

After reviewing BDS's financial status, budget goals, and proposed budget decisions, the LMC supports BDS's FY 2018-19 Requested Budget and Decision Packages. We agree on the following recommendations related to BDS's Requested Budget:

1. We endorse BDS's budget goals.

We find BDS's budget goals (below) to be in alignment with the bureau's mission and vision:

- Commitment to Equity
- People – Organizational Structure
- Systems – Continuous Improvement of Services
- Tools – Technology Solutions
- Adaptability to Change – Workforce Development and Training

Pursuing these goals will help BDS achieve its mission and will result in the highest benefit to BDS staff, customers, and the community. BDS employees submitted numerous budget ideas related to these goals, as well as ideas on improving bureau operations. The bureau is evaluating all submitted ideas for possible implementation.

2. We urge City Council to restore the required 5% General Fund cut proposed in budget Decision Package DS_01, and to commit additional ongoing General Fund support to the BDS Enforcement Program.

The 5% cut in General Fund appropriations mandated by City Council will result in a reduction of \$49,126 in funding for BDS's Enforcement Program (the only BDS program to receive General Fund support). This will reduce the number of nuisance abatements performed by the bureau, leading to tangible negative effects on public health and neighborhood livability.

We recognize that the money saved from this cut will go toward affordable housing and we applaud the Council's commitment to addressing this serious issue. We also acknowledge and are encouraged by BDS's effort to avoid cuts that would impact permanent staff positions. However, we cannot support the resulting proposed cuts. We strongly urge the City Council to restore this cut and to show support for neighborhoods and the community by committing additional ongoing General Fund support to the Enforcement Program.

One small, current example of the Enforcement Program's impact is its work at the Rainbow Villa Mobile Home Park in southeast Portland. Enforcement staff is working collaboratively and creatively with owners, residents, attorneys, and advocates to forge a path to compliance for homes where work was done without permit, but where residents' resources are limited and significant barriers exist. The Enforcement Program's approach is time- and staff-intensive, but creates positive outcomes for the community.

3. We support BDS's decision to place its request for fee-supported positions in the 2018 Spring Budget Monitoring Process (BMP), rather than in the Requested Budget.

As it has in recent years, BDS intends to add permanent fee-supported positions through the 2018 Spring BMP in order to expedite filling the positions. These positions will address significant workload needs and allow BDS to meet gaps in service levels. We support BDS's approach as a practical way to quickly meet these needs, ideally before the start of the traditional construction season.

By approving BDS's FY 2018-19 Requested Budget, the City Council will help ensure that BDS can provide timely, effective services to its customers and community, while enhancing neighborhood livability and the good of the city.

Sincerely,



Priscilla Partch
LMC Co-Chair



Rebecca Esau, BDS Director
LMC Co-Chair



City of
PORTLAND, OREGON
Development Review Advisory Committee



January 25, 2018

Portland City Council
1221 SW Fourth Avenue
Portland, OR 97204

Re: The Bureau of Development Services' FY 2018-19 Requested Budget

Dear Mayor Wheeler and City Commissioners,

As the outgoing and incoming Chairs and Vice-Chairs of the City's **Development Review Advisory Committee (DRAC)**, we are writing on behalf of the entire Committee to express our support for the Bureau of Development Services' (BDS's) Requested Budget for fiscal year (FY) 2018-19. DRAC members represent significant design, construction, and neighborhood stakeholders and associations with interest in the outcome of policies, budgets, regulations, and procedures that affect development review processes in the City of Portland.

The DRAC regularly reviews BDS's strategic direction, financial status, and priorities, and advises the bureau regarding annual budget decisions. We have also consistently communicated with BDS managers and staff regarding our priorities for the bureau and the development review process:

- Provide timely, quality services to customers and the community
- Continuously work to streamline and improve development review processes
- Keep fees as low as possible
- Secure sufficient ongoing General Fund support for local code programs that provide general public benefit

We urge you to support BDS and the other development bureaus to find solutions to continuing service delays and staffing issues.

The rapid growth of development in Portland has greatly challenged the City's development review functions. BDS has added many staff positions over the last several years, but continuing delays throughout the development review process slow projects and add to the overall cost of development. The rapid pace of development has also created a tight job market, making it more difficult for BDS to attract, hire, and retain talented people. This has a broader community impact as well, as the development of housing projects is also hindered.

We urge you to address this issue by working with BDS and the DRAC to find creative solutions that will allow the bureau to find and hire staff more quickly.

We also urge you to consider the impact of ad hoc policy decisions (such as the Fast Track Permitting Pilot Project) on the development review process. While we recognize the clear need for more affordable housing and support the Council's prioritization of this issue, the Pilot Project will further slow the vast majority of development projects in order to benefit a select few.

We support BDS's plan to request additional staff positions (supported by permit fee revenues) in the 2018 Spring Budget Monitoring Process (BMP).

BDS has indicated that approximately 14 additional permit fee-supported staff positions are needed to respond to workload increases and improve service levels in several bureau programs. We are supportive of adding positions that will result in service improvements, and BDS has demonstrated that there are sufficient permit revenues and reserves to support the positions over the next five years.

As they have done previously, BDS intends to add the positions through the 2018 Spring Budget Monitoring Process (BMP), rather than through the FY 2018-19 Requested Budget. We support this decision as well because it will allow the bureau to fill the positions sooner.

We applaud BDS's leadership in working to coordinate the presentation of fee and SDC charge increases from all the development bureaus to City Council.

While BDS has kept most of its permit fees constant for several years, the reality is that BDS fees make up only a percentage of the total fees and charges levied by the City for development. For several years, we have advocated for greater awareness on the part of the City Council of the cumulative impact of development fees and charges from all the development bureaus (Transportation, Water, Environmental Services, and Parks, as well as BDS), particularly Systems Development Charges (SDCs). Code changes (such as the Citywide Tree Code and Inclusionary Housing) further add to the costs of development. These costs negatively impact housing affordability and act to inhibit development, causing economic harm to the city as a whole. Until now, no one has captured the totality of these annual increases or calculated their combined impact on the cost of development.

However, BDS is currently leading an effort to organize the various fee and SDC proposals from all the bureaus into coordinated presentations to the City Council. This will allow the Council, development customers, and the community to consider the cumulative costs and evaluate the combined impact on the development industry and the community. We are greatly encouraged by this effort and will work closely with BDS and the other bureaus to ensure its success.

We continue to encourage you to provide sufficient ongoing General Fund monies to support BDS's Enforcement Program, and we urge you to rescind the mandated 5% cut.

BDS's Enforcement Program is the only bureau program to receive General Fund support, and thus will bear the brunt of the 5% cut in General Fund appropriations mandated by the Council. We continue to stress the value of the Enforcement Program to the entire Portland community as it strengthens neighborhoods, and we therefore believe that General Fund support for the program is entirely appropriate.

The Enforcement Program has weathered several years of 5% cuts in its General Fund support, and has survived due to increased collections of fees, fines, and other program revenues. However, these other revenue sources have historically been volatile, and cannot be depended on as a replacement for General Fund support in the long-term. We urge you to add ongoing General Fund support back to the program, in recognition of its general community benefit and its contribution to the City's housing and equity priorities.

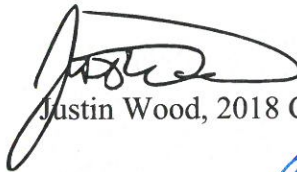
The DRAC therefore respectfully requests that you approve BDS's FY 2018-19 Requested Budget, and that you address the other issues we have raised. Approving BDS's budget will ensure needed support to neighborhoods and businesses and strengthen positive partnerships between the private sector, neighborhoods, and government.

DRAC members have reviewed this letter and support its submission.

Sincerely,




Maryhelen Kincaid, 2017 Chair



Justin Wood, 2018 Chair



Rob Humphrey, 2017 Vice-Chair



Claire Carder, 2018 Vice-Chair

Development Review Advisory Committee Members (next page)

DRAC Members

DRAC Member	Term	Term Ends	Representing	Affiliation
Jeff Bachrach	1 st	9/13/19	Planning & Sustainability Commission	Bachrach Law, P.C.
Alexander Boetzel	1 st	10/10/20	Environmental Conservation & Green Building	Green Hammer
Claire Carder	2 nd	10/10/20	Neighborhood Coalition Land Use Committees	Neighborhood Coalitions
Hermann Colas	2 nd	2/22/18	Minority Construction Contractors & Development Professionals	Colas Construction, Inc.
Maxine Fitzpatrick	1 st	2/11/18	Low-Income Housing Developers	PCRI, Inc.
Michael Harrison	1 st	12/16/18	Major Facilities Landowners	Oregon Health & Science University
Rob Humphrey	2 nd	3/19/18	Frequent Development Review Customers	Faster Permits
Maryhelen Kincaid	2 nd	3/19/18	Citywide Neighborhood Interests	Citywide Land Use Interests
Christopher Kopca	2 nd	1/29/19	Historic Preservation	Downtown Development Group
Jennifer Marsicek	1 st	3/18/18	Design Professionals	Scott Edwards Architecture
Kirk Olsen	2 nd	1/14/19	Large Developers	Trammell Crow Company
Mitch Powell	1 st	12/16/18	Home Remodelers	The Powell Group
Sarah Radelet	1 st	10/10/20	Land Use Planning Professionals	Strata Land Use Planning
Joe Schneider	2 nd	4/16/18	Large Construction Contractors	Skanska
Martha Williamson	1 st	10/10/20	Public Works Permit Customers	Humber Design Group
Justin Wood	1 st	4/14/18	Home Builders	Fish Construction NW Inc.
Vacant			Small Businesses	



**City of
PORTLAND, OREGON
Bureau of Development Services
Budget Advisory Committee**



FY 2018-19 Budget Advisory Committee Report

**Bureau of Development Services
January 25, 2018**

The Budget Advisory Committee (BAC) of the Bureau of Development Services (BDS) thanks Commissioner Chloe Eudaly and the City Council for the opportunity to work with BDS on the development of its FY 2018-19 Requested Budget. The BDS BAC is composed of representatives from the development industry, community organizations, the Development Review Advisory Committee, and BDS employees.

We met with BDS managers and staff monthly from November 2017 – January 2018 to discuss BDS's finances, staffing, workload, programs and services, and budget needs. We also reviewed budget guidance from the Mayor and projections for City and bureau revenues in the coming year.

The BAC supports the following policy and budget recommendations for FY 2018-19:

1. We strongly encourage City Council to make necessary reductions to the General Fund that align with the City's housing and equity priorities.

The only BDS program that currently receives General Fund support is the Enforcement Program, which implements the City's Property Maintenance Code (Title 29). The Enforcement Program directly contributes to the supply of affordable housing by facilitating the preservation and maintenance of existing housing stock and neighborhood livability. The mandated 5% cut reduces the Enforcement Program's budget by \$49,126, equating to 27 fewer nuisance abatements in FY 2018-19 (a 21% reduction from FY 2016-17). This service reduction adversely impacts non-affluent neighborhoods, where responsible parties are unable or unwilling to maintain their properties in compliance with the City's minimum standards. Unabated nuisance violations negatively impact other properties and general neighborhood livability. Enforcement Program services are vital to communities of color, immigrant and refugee communities, and other vulnerable populations.

We encourage the City Council to prioritize BDS's Enforcement Program and other City programs and services that contribute to City housing and equity priorities.

2. We recommend the City provide stable, ongoing General Fund support for the Enforcement Program.

For the last several years, the Enforcement Program has absorbed 5% annual cuts in its General Fund support. Thankfully, program revenues (from fees, fines, and penalties) have been sufficient to make up for those losses. In the long-term, however, program revenues do not provide a stable funding source. BDS records show that collections of fees and penalties are volatile, and can vary widely depending on economic conditions and the vagaries of the housing market.

Given the Enforcement Program's direct, positive contribution to the City's affordable housing and equity goals, we believe the program should receive sufficient ongoing General Fund support to ensure that vital services continue.

3. We recommend that the City address the staffing situation at BDS and other development bureaus.

Continued rapid growth has resulted in a tight labor market and rapidly rising wages in Portland, making it increasingly challenging for development bureaus to identify and hire qualified staff. The resulting staff shortages at BDS are leading to significant delays in development review, slowing projects and hurting developers, contractors, and property owners.

We urge the City to aggressively explore new solutions, such as making staff salaries more competitive with other building departments and the development industry. This will make Portland a place where people can afford to live and where they want to be. Alleviating staffing issues at the development bureaus will ensure timely, quality programs and services to the development industry and the community.

4. We support BDS's decision to place its request for permit fee-supported positions in the 2018 Spring Budget Monitoring Process (BMP).

We support BDS's plan to add 14 staff positions. Additional positions will help address significant workload needs and allow BDS to meet gaps in service levels.

Finally, the BAC supports BDS's decision to add these positions in the current fiscal year (FY 2017-18) through the Spring Budget Monitoring Process (BMP), rather than through the bureau's FY 2018-19 Requested Budget. Time is of the utmost importance, and using the 2018 BMP allows BDS to fill the positions quickly. We support BDS's approach as a practical way to quickly meet customer and community needs.

Thank you for the opportunity to add our support to BDS's FY 2018-19 budget request.

BDS Budget Advisory Committee Members

Community / Development Industry Members

Barbara Alexander, Hacienda CDC

Andre Baugh, Group AGB, Ltd.

Maryhelen Kincaid, Development Review Advisory Committee / Citywide Neighborhood Interests

Pamela Phan, Community Alliance of Tenants

Susan Steward, Building Owners & Managers Association

Martha Williamson, Development Review Advisory Committee

BDS Employees

Cindy Meyer, Management / Inspections Services

Chris Pagnotta, BDS Equity Committee / Plan Review Services

Priscilla Partch, Represented Staff (COPPEA) / Permitting Services

Jeremy Russell, Represented Staff (DCTU) / Inspections Services

Oretha Storey, Non-Represented Staff / Business Operations & Finance Services

Robert Walker, Jr., BDS Equity Committee / Business Operations & Finance Services

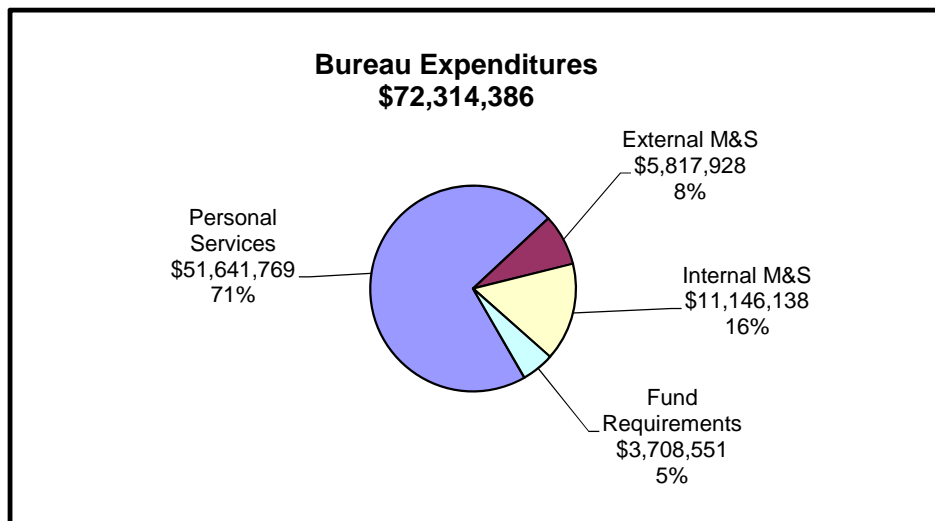
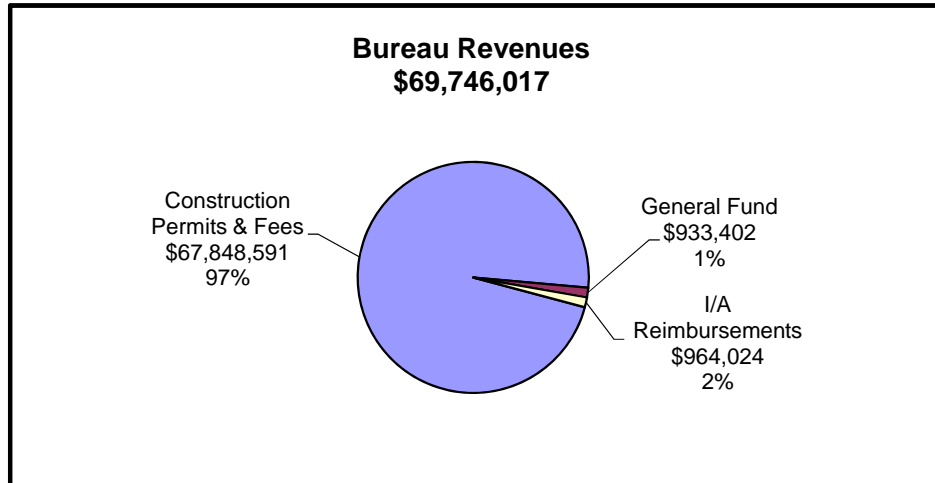
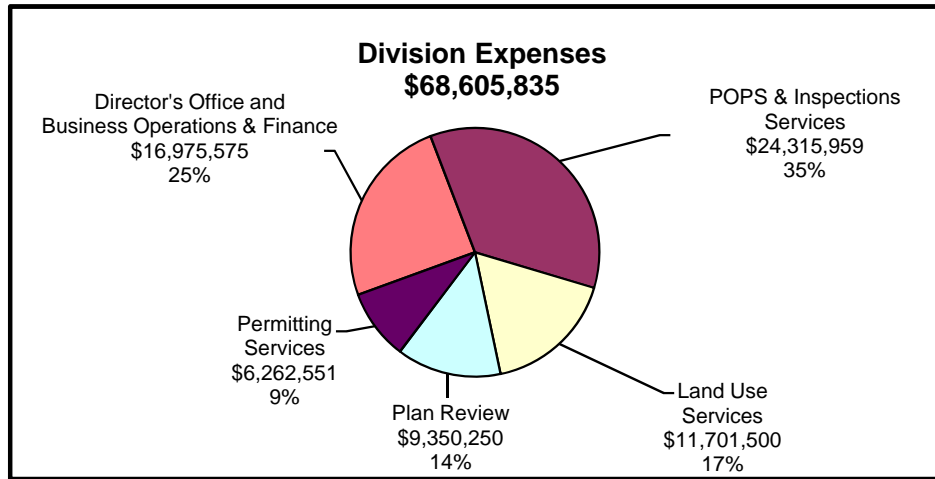
City of Portland
Bureau of Development Services

Requested Budget
Fiscal Year 2018-19

Submitted January 29, 2018

Bureau of Development Services

FY 2018-19 Budget



Bureau of Development Services FY 2018-19 Budget

Community Development Service Area

Chloe Eudaly, Commissioner-in-Charge

Rebecca Esau, Director

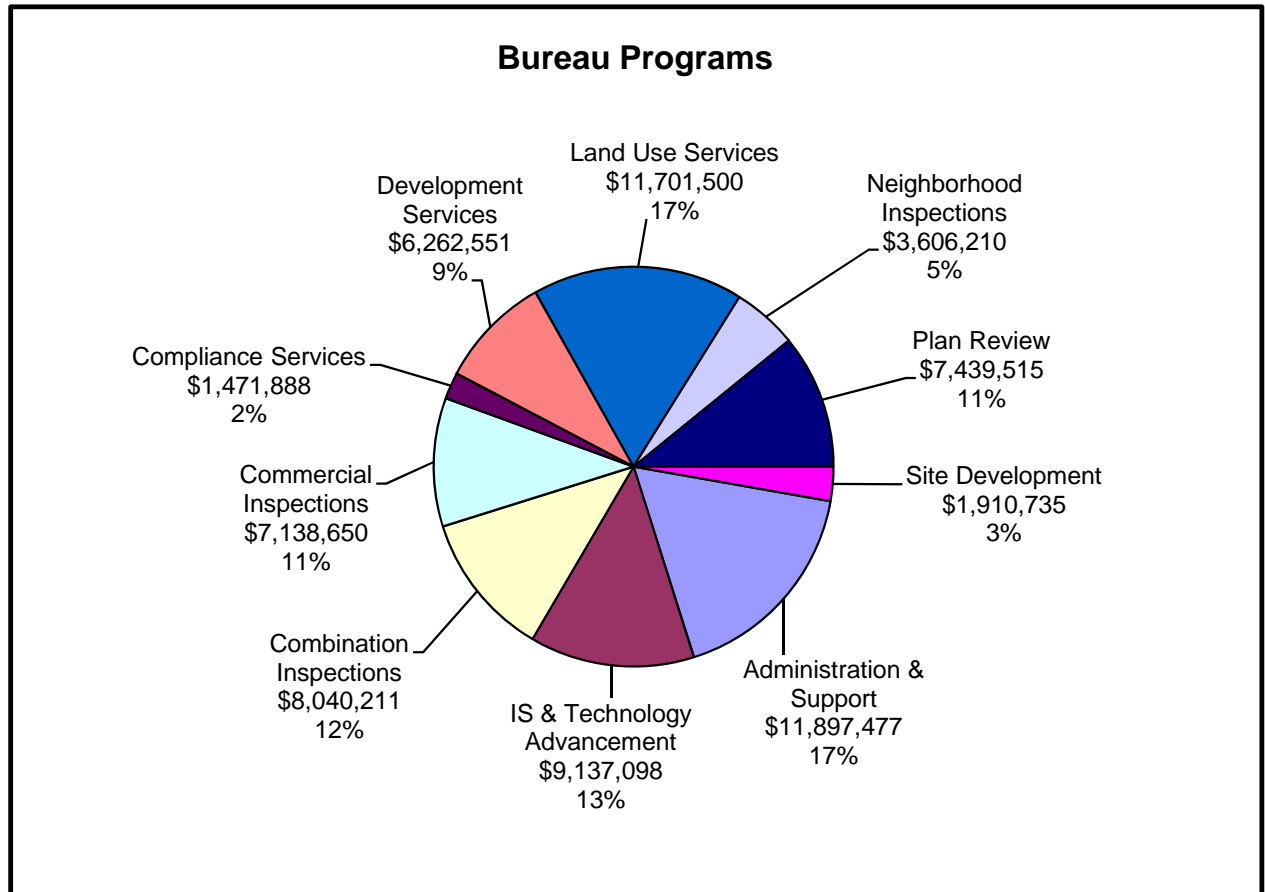


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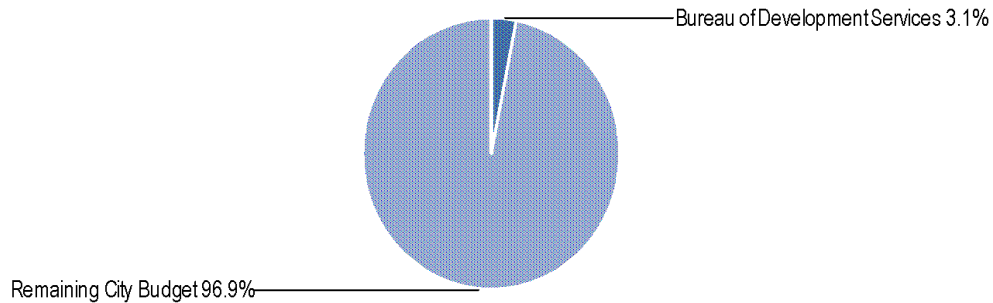
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Bureau of Development Services

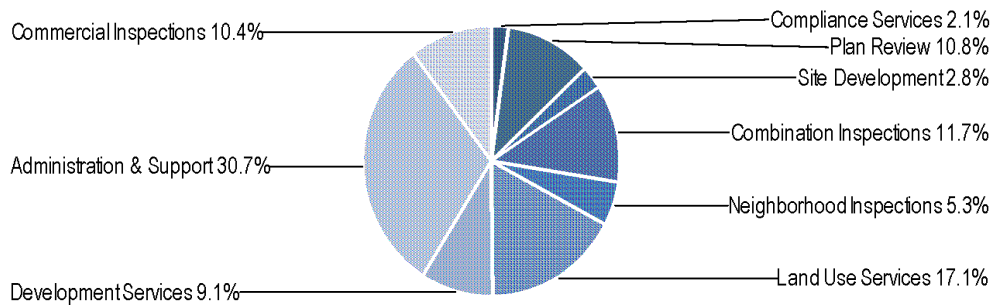
Chloe Eudaly, Commissioner-in-Charge

Rebecca Esau, Director

Percent of City Budget



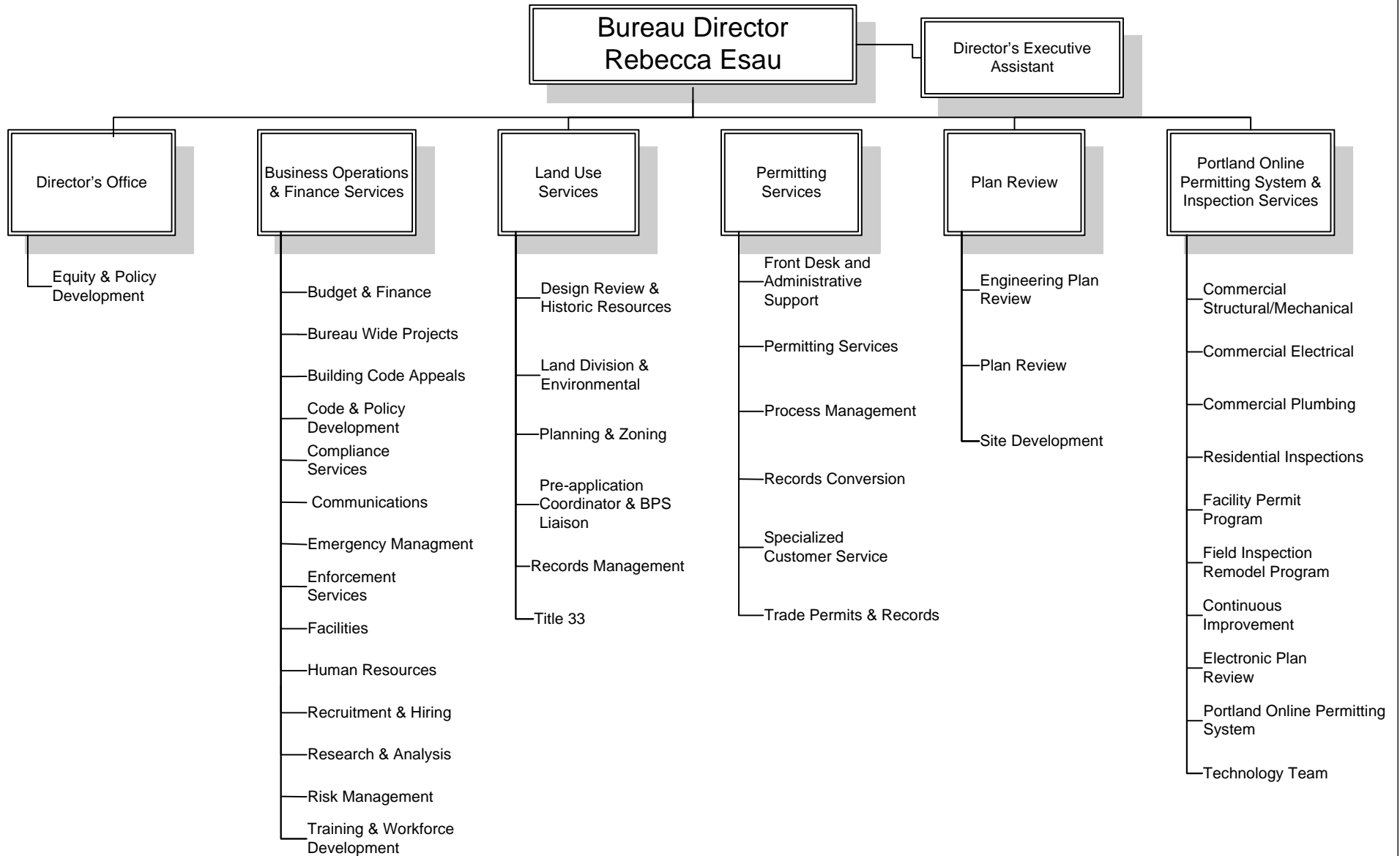
Bureau Programs



Bureau Overview

Expenditures	Revised FY 2017-18	Requested FY 2018-19	Change from Prior Year	Percent Change
Operating	144,066,867	153,554,106	9,487,239	6.59
Capital	766,975	4,275,454	3,508,479	457.44
Total Requirements	144,833,842	157,829,560	12,995,718	8.97
Authorized Positions	434.87	435.62	0.75	0.17

Bureau of Development Services



Bureau Summary

Bureau Mission

The Bureau of Development Services (BDS) promotes safety, livability, and economic vitality through the efficient and collaborative application of building and development codes.

Bureau Overview

General Description BDS is an integral part of development in the City of Portland through administering and enforcing State building codes and local development codes. Bureau staff works collaboratively with developers, builders, homeowners, neighborhood associations, and the community to guide and facilitate the development review process. The bureau prides itself on providing assistance to customers from concept all the way through construction. BDS manages programs that ensure construction and land use codes are consistently followed, and BDS is instrumental in enhancing the safety of buildings along with the livability and economic vitality of Portland's neighborhoods. To this end, staff reviews construction plans, issues permits, and inspects industrial, commercial, and residential construction to ensure compliance.

In addition to administering electrical, plumbing, mechanical, structural and building codes, BDS is also responsible for implementing many of the City's locally adopted policies and regulations, including:

- ◆ Zoning and land use;
- ◆ Tree preservation and planting in development situations;
- ◆ Site-related regulations such as erosion control and grading;
- ◆ Sign regulations; and
- ◆ Property Maintenance Codes.

The bureau is also responsible for responding to violations and working with a wide variety of situations and customers to bring development into compliance with the above codes.

This Requested Budget includes 435.62 FTE and an operating budget of \$68.6 million. Approximately 98.6% of the bureau's revenues comes from permit fees and assessments. The remaining 1.4% comes from the City's General Fund and supports portions of BDS's local City Code enforcement programs, such as Neighborhood Inspections.

Bureau of Development Services

Balancing Service Provision and Fiscal Responsibility

BDS's vision is to be the best development services agency in the country by:

- ◆ Partnering with the other City bureaus that provide these services (PBOT, BES, Water, Fire and Parks) to staff and deploy programs, technology, and systems that meet the time-sensitive needs of the development industry; and
- ◆ Addressing neighborhood and community members' concerns about the quality of development and access to development-related information and services.

This commitment to work with BDS's partner bureaus to provide excellent and relevant programs and services is met within the context of a commitment to operate in a fiscally responsible manner. The bureau seeks to balance several goals:

- ◆ Provide excellent programs and services and utilize technology to respond effectively to bureau customers' and the community's changing needs;
- ◆ Pursue cost recovery for services whenever appropriate;
- ◆ Maintain prudent financial reserves to cushion the bureau against economic downturns;
- ◆ Set reasonable fees and keep fee increases as low as possible.

Bureau Revenues, Funding Sources, and Reserves

In FY 1988-89, the City Council established an operating fund for BDS and charged the bureau with fully supporting its State-mandated construction programs through permit fees and charges. State statutes regulate these programs and, in most circumstances, prohibit their revenues from being used for City Code enforcement programs. BDS works to maintain full cost recovery for many of its construction programs and services. To this end, the bureau implements gradual fee increases as needed (to minimize the impact on customers and community members). The bureau has achieved full cost recovery for its state-mandated programs every year since FY 2011-12, and has not raised most permit fees since FY 2013-14. In FY 2016-17 and FY 2017-18, BDS reduced building and site development permit fees in response to discussions with the development community, the bureau's sustained high cost recovery rate, and its healthy reserve balance.

This requirement to be self-supporting, combined with the challenge of accurately predicting construction activity and fee revenues, makes it important for BDS to maintain sufficient reserves to ensure bureau services remain stable when revenues fall below expectations. Since the last recession, BDS strengthened its reserve goals and has been rebuilding its reserves since FY 2010-11.

BDS's local City Code enforcement programs (Land Use Services, Neighborhood Inspections, Environmental Soils, Signs, Zoning Enforcement, and Site Development) are funded through a combination of program fees and fines, and do not receive support from BDS permit fee revenues. The Neighborhood Inspections Program also receives crucial support from the City's General Fund. BDS's Budget Advisory Committee and the Development Review Advisory Committee support the ongoing use of General Fund monies to support the Neighborhood Inspections Program, in recognition of the benefits it delivers to the entire community.

State Statutes and Administrative Rules

The City of Portland has been regulating construction since the late 1800s, with local ordinances passed by the City Council as early as 1892. In 1973 the State legislature passed requirements for a State Building Code mandating uniform statewide enforcement, which required Portland to begin enforcing the State-adopted codes with State-certified personnel. BDS is also responsible for administering a variety of local regulations adopted within the City Code, including the Zoning Code under Title 33, Floating Structures (Title 28), Erosion Control (Title 10), Signs (Title 32), and Property Maintenance (Title 29).

Strategic Direction

In FY 2018-19 BDS will advance initiatives and address issues that are important to the bureau's organizational health and culture, programs and services, and financial security, while also meeting vital customer and community needs.

BDS Racial Equity Five-Year Plan

To ensure equitable access and opportunities for all, BDS is committed to pursuing equity in its staffing, programs and services, and interactions with customers and the community. To this end, the bureau launched a 5-Year Racial Equity Plan in December 2016. The Plan applies an equity lens to bureau programs and services, focuses recruitment to produce a more diverse applicant pool, and employs extensive outreach to diverse communities. These efforts directly contribute to the City's Comprehensive Plan goal to include under-served and under-represented populations in decisions that affect them, as well as equity goals in the Portland Plan. For FY 2018-19, the Plan will focus on tracking and monitoring race data for bureau services, applying the equity lens more broadly throughout the organization, incorporating racial equity goals into performance evaluations, and more effectively targeting outreach and support to minority communities.

Portland Online Permitting System(POPS)

The Portland Online Permitting System (POPS) is an initiative to design and implement a web-based system that will provide 24/7 online access to submit permit applications, plans, and plan revisions. In conjunction with POPS, BDS is launching a project to digitize historic records and make these records accessible online. Having these records available online will benefit all the bureau's customers and the community, particularly those who currently face challenges with traveling downtown to access these records.

BDS and its partner bureaus are currently refining an implementation plan developed during the project ‘discovery phase’ in 2017. This plan now includes an earlier transition to electronic plan review software with Avolve Systems Corporation in a gradual roll-out of different permit types, while development of the permitting software with CSDC Systems Inc. occurs. Approaching the project in this manner will:

- ◆ Allow customers to begin submitting applications for particular permit types remotely, rather than traveling downtown to submit paper plan sets;
- ◆ Save paper;
- ◆ Provide timely access to the plans by the 12-18 review groups from BDS and partner bureaus so they can review them any time, rather than sharing a limited number of paper plan sets;
- ◆ Allow each reviewer to see the comments and corrections required by other reviewers, to be able to identify and resolve conflicts early;
- ◆ Allow reviewers to easily pinpoint changes made in the different iterations of the plans; and
- ◆ Eliminate the need to scan the approved set of paper plans at the end of the review process.

These efficiencies and convenience for customers and the community will begin to be realized in 2018, in advance of completion of the permitting software for each of the different folder/permit types.

POPS moves the City closer to meeting the goals outlined in the Portland Plan and the 2009 Climate Action Plan by eliminating an estimated 33,000 customer vehicle trips to downtown annually, as well as saving paper.

Staffing/Filling Vacancies

For the last several years, BDS has been adding staff positions to address sustained growth in the economy and the local development industry. Over the last two years, the value of construction in Portland (and resulting BDS workloads) reached historic levels. Despite rapidly adding staff positions, BDS remains challenged to meet expected service levels and timeline goals due to the sheer volume of the work in combination with other demands on staff time. The bureau intends to request approximately 11.0 FTE in its 2018 Spring Budget Monitoring Process (BMP) request, in order to be able to fill the positions sooner. Another 2.0 FTE will be requested via ordinance to address additional inspections workload related to Portland’s implementation of Senate Bill (SB) 871, which authorizes Oregon cities to establish programs for the demolition of residential structures. The BDS Budget Advisory Committee and the Development Review Advisory Committee (DRAC) have endorsed this plan.

In 2017 alone, BDS filled 109 vacant positions. Some of these positions were new, and others were vacant due to existing staff being promoted or retiring. Approximately 80 staff positions are currently vacant, with multiple new hires being made each week. As noted, it is difficult to find qualified candidates with the appropriate certifications for some classifications, such as building inspectors and

commercial plans examiners. In 2018, BDS is starting a trainee program and will partner with local educational programs to create a pipeline for students into these career paths. BDS will also continue to work intensively with the Bureau of Human Resources to quickly complete recruitments and fill vacant positions as quickly as possible.

Bureau Re-Organization

In the second half of 2017, BDS began a re-organization of its structure. The reorganization will help accomplish key improvements, including:

- ◆ Addressing significant span-of-control issues;
- ◆ Combining similar functions;
- ◆ Filling gaps in needed programs and services; and
- ◆ Improve the timeliness and quality of service delivery to customers and the community.

The re-organization will be completed later in 2018.

Neighborhood Inspections Program Funding

BDS's Neighborhood Inspections Program implements the City's Property Maintenance Code (Title 29). The program cannot receive support from BDS permit fee revenues, and is thus funded through a combination of program fees, fines, and General Fund support. For several years (including FY 2018-19), the program's General Fund support has been reduced through mandatory 5% budget reductions. While the program has survived due to increased collections of fees, fines, and assessments, these have historically been volatile revenue sources, and cannot be depended on as a replacement for General Fund support in the long-term. Both the BDS Budget Advisory Committee and the Development Review Advisory Committee have advocated for the restoration of the 5% General Fund cut for FY 2018-19 and for increased General Fund support in the future, in recognition of the program's community benefit and contribution to the City's housing and equity priorities.

BDS Strategic Plan

BDS will begin implementation of a new 5-year Strategic Plan in Spring 2018. The purpose of the plan is to create a living, relevant, and practical guide for the bureau in all areas of work. Focus areas include efficient and effective services, high performing and diverse workforce, communication and community engagement, high quality customer service, equity plan implementation, and technology integration.

Capital Budget

Capital Summary

CIP Highlights

Portland Online Permitting System (POPS)

The Portland Online Permitting System (POPS) is a BDS initiative to upgrade the City's legacy permit and case management system (TRACS) which has been in use since 1999. In November 2010, the City Council granted approval to BDS to pursue an upgrade from TRACS to a new system. The goal of POPS is to provide the City of Portland, its development community, and the general public with more efficient and effective development review through the implementation of a web-based permit application, plan review, and inspection software system. The system will be accessible to City review staff, development review customers, and the general public 24 hours a day, 7 days a week.

Major Issues

BDS's current legacy permit and case management system (TRACS) lacks an online capacity and does not support electronic application submittal, plan review, or information access for customers and the community. This leads to a paper-based development review process that is inefficient and costly compared to web-based digital software systems already in use in numerous jurisdictions around the country. POPS will address these issues by providing web-based digital plan submittal and review services and by making information more easily available.

Changes from Prior Year

In 2017 POPS went through a 6-month project 'discovery phase', and has begun implementation of a new project plan. This plan includes a gradual transition from a paper based system to digital plans through the use of electronic plan review software with Avolve Systems Corporation, along with continued development of permitting software with CSDC Systems, Inc. Approaching the project in this manner will allow the bureau to benefit from electronic plan review in advance of completion of the permitting software.

Currently BDS's capital budget includes only positions designated to work on the project, and internal materials and services expenses. Vendor costs and other expenses will be estimated once new contracts are negotiated in the summer of 2018, project scope is more developed, costs are more certain, and project budget has been established. Most likely the bureau will revise and update its capital project budget through the FY 2018-19 Budget Monitoring Process (BMP).

Council Goals and Priorities

POPS will significantly contribute to the City Council's budget goals and priorities, including:

- ◆ Improve the quality of life in neighborhoods – POPS and the concurrent project to digitize historic permit records will both result in more information being available to the public online, in real time. This increase in transparency will benefit the quality of life in neighborhoods by allowing community members to access information about proposed developments quickly and easily. It will also save staff time so there is greater capacity to work through issues with neighborhoods and developers, to try to get the best possible result for neighborhoods.
- ◆ Deliver efficient, effective, and accountable municipal services – POPS will greatly increase the efficiency of the development review process by moving the City from its current paper-based review system to an electronic system, and by providing 24/7 online access to services and information.

POPS will also contribute to the Portland Plan strategy of economic prosperity and affordability:

- ◆ Thousands of trips to the bureau's downtown permitting offices will be avoided each year for customers and community members, since services and records will be available remotely. This will create significant efficiencies for customers and BDS staff and will contribute to the City's Climate Action Plan sustainability initiatives. Paper will also be saved, benefiting the environment.
- ◆ Paper and print cost savings will be realized for BDS and its customers, since plan submittal, plan review, permit issuance, and inspections will be performed electronically.

Criteria

POPS is BDS's only Capital Improvement Project (CIP). The bureau's decision to move forward with POPS as a CIP included:

- ◆ Analyzing available solutions;
- ◆ Consulting with other jurisdictions using similar software solutions, and visiting those jurisdictions to see how those solutions are being implemented;
- ◆ Analyzing the cost and time associated with implementation of the solutions available;
- ◆ Analyzing the sustainability of the solutions available for long term benefit; and
- ◆ Coordinating with the Bureau of Technology Services (BTS) to ensure the new system can be supported by BTS and will work well with other City systems, such as SAP.

Capital Planning and Budgeting**Capital Planning Process**

BDS's capital planning process began in fall 2009 and included a host of stakeholders. Sierra Cedar, Inc. was selected as the project vendor in December 2012, but was removed from the project in 2016. A re-evaluation of POPS took place in 2017 and resulted in the selection of Avolve Systems Corporation and CSDC Systems, Inc. as new vendors.

POPS is co-sponsored by BTS and BDS. It has been and continues to be reviewed by the Commissioners-in-Charge (Wheeler and Eudaly), the City's Technology Oversight Committee, the Development Review Advisory Committee, and the City Budget Office. Coordination is ongoing with all the development review bureaus, including Water, Transportation, Environmental Services, Fire, and Parks.

City Comprehensive Plan

POPS will streamline the development review process, create significant efficiencies and cost savings for City bureaus and customers, and increase access to information for customers, neighborhoods, and the community. POPS will contribute to several Comprehensive Plan goals and policies, including:

- ◆ Neighborhood Involvement - Provide for the active involvement of neighborhood residents and businesses in decisions affecting their neighborhood through the promotion of neighborhood and business associations. Provide information to neighborhood and business associations which allows them to monitor the impact of the Comprehensive Plan and to report their findings annually to the Planning and Sustainability Commission.
- ◆ Housing Availability - Ensure that an adequate supply of housing is available to meet the needs, preferences, and financial capabilities of Portland's households now and in the future.
- ◆ Regulatory Costs and Fees - Consider the impact of regulations and fees in the balance between housing affordability and other objectives such as environmental quality, urban design, maintenance of neighborhood character, and protection of public health, safety, and welfare.

Base Financial Forecast Overview

Revenues for many of the bureau's programs are projected to remain stable, with a slight increase over the next year, then a slight decrease over the next three years, followed by an increase in the final year of BDS's 5-Year Financial Plan. The BDS Financial Advisory Committee, composed of local economists and real estate experts, reviewed the bureau's Financial Plan, contributed their advice, and were satisfied with the outcome of the projections. An approximation of POPS implementation costs, as well as the associated ongoing maintenance and improvement expenses, are reflected in the Financial Plan.

Asset Management and Replacement Plan

BDS currently projects that vendor costs for the ongoing maintenance of POPS will be approximately \$250,000 annually. The bureau's Five-Year Financial Plan shows that these costs can be paid out of bureau operating funds.

Administration & Support

Description	<p>The Administration Program provides overall direction to the bureau in order to meet program objectives. Included within this program's budget are:</p> <ul style="list-style-type: none"> ◆ The Office of the Director, including Equity and Policy Development; ◆ The Business Operations and Finance Services Division, which includes Budget and Finance, Emergency Management and Safety, Training and Workforce Development, human resources, recruitment, loss control/risk management, digital records conversion, office management, and communications; and ◆ Technology.
Goals	<p>The Administration program supports the Citywide goal to protect and enhance the natural and built environment.</p>
Performance	<p>The program provides services to all bureau staff and supports these bureau budget goals:</p> <ul style="list-style-type: none"> ◆ Commitment to Equity ◆ People – Organizational Structure ◆ Systems – Continuous Improvement of Services ◆ Tools – Technology Solutions ◆ Adaptability to Change – Workforce Development and Training
Changes to Services and Activities	<p>BDS Racial Equity Five-Year Plan</p> <p>The Equity and Policy Development section will lead the implementation of year two of BDS's 5-Year Racial Equity Plan, launched in December 2016. The Plan applies an equity lens to bureau programs and services, focuses recruitment to produce a more diverse applicant pool, and employs extensive outreach to diverse communities. For FY 2018-19, the Plan will focus on tracking and monitoring race data for bureau services, applying the equity lens more broadly throughout the organization, incorporating racial equity goals into performance evaluations, and more effectively targeting outreach and support to minority communities.</p> <p>Portland Online Permitting System (POPS)</p> <p>The Portland Online Permitting System (POPS) project is currently implementing a plan developed in 2017. The plan includes simultaneous implementation of a standalone electronic plan review software with Avolve Systems Corporation, and development of the permitting software with CSDC Systems Inc. Approaching the project in this manner will allow the bureau to benefit from an electronic plan review capability in advance of completion of the permitting software.</p> <p>Once fully implemented, POPS will save customers and community members time and money by giving them remote access to information and services and by decreasing the need to visit the Development Services Center (DSC) or BDS offices. BDS will experience significant efficiency gains in its land use review, plan review, permitting, and inspection processes as it reduces its reliance on paper plans and records.</p>

Bureau of Development Services

Filling Staff Vacancies

In 2017, BDS filled 109 vacant positions. Some of these positions were new, and others were vacant due to existing staff being promoted or retiring. In FY 2018-19, BDS hiring and recruitment staff will continue working closely with the Bureau of Human Resources to fill approximately 80 remaining vacant staff positions. Filling these positions quickly will be crucial in helping BDS address historically high workload levels.

BDS Strategic Plan

The Administration Program will lead the implementation of a new 5-year Strategic Plan in Spring 2018 and into FY 2018-19. The purpose of the plan is to create a living, relevant, and practical guide for the bureau in all areas of work. Focus areas include efficient and effective services, high performing and diverse workforce, communication and community engagement, high quality customer service, equity plan implementation, and technology integration.

Process Improvements

As part of the bureau's re-organization, a new section is being created to research process improvements and take on projects to improve service delivery bureauwide. Pending projects include implementing recommendations for reducing wait times in the Development Services Center and developing and implementing the Mayor's Fast Track Permitting Pilot Project to speed up permitting.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	51.41	67.03	81.50	80.00	80.00
Expenditures					
Administration & Support	14,759,670	18,414,685	20,041,490	21,034,575	21,034,575
Business Services	0	5,966	0	0	0
Total Expenditures	14,759,670	18,420,651	20,041,490	21,034,575	21,034,575

Commercial Inspections

Description	<p>The Commercial Inspections Program performs state-mandated construction inspections (structural, electrical, plumbing, and mechanical) on industrial, commercial, and multi-family construction projects in Portland and the urban services area of Multnomah County. The program also provides plan review services for commercial plumbing and electrical permits, and a full range of permitting and inspections services in the Facility Permit Program (FPP).</p> <p>The services provided under the Commercial Inspections Program ensure compliance with the State’s structural, mechanical, plumbing, and electrical codes, as well as the City’s Sign, Zoning, and Site Development codes. The Commercial Inspections Program resides in the bureau’s Inspections Services Division, which also includes Combination Inspections.</p>
Goals	<p>The Commercial Inspections Program supports the Citywide goal to protect and enhance the natural and built environment. The Program also works together with both Portland Fire & Rescue and the Multnomah County Health Division to provide a safe and healthy work and living environment for Portland residents. The Program further supports these bureau budget goals:</p> <ul style="list-style-type: none"> ◆ Commitment to Equity ◆ People – Organizational Structure ◆ Systems – Continuous Improvement of Services ◆ Tools – Technology Solutions ◆ Adaptability to Change – Workforce Development and Training
Performance	<p>Commercial Inspections’ Key Performance Measure, the number of inspections completed per inspector per day, is projected to increase from 13.35 in FY 2016-17 to 13.5 in FY 2017-18, and further to 13.6 in FY 2018-19. The bureau’s target is 14.0 inspections completed per inspector per day. Making progress toward this target contributes to the Portland Plan goal to ensure quality, affordable housing by minimizing delays in construction, thus reducing costs.</p> <p>The percentage of inspections made within 24 hours of request is projected to increase from 83% in FY 2016-17 to 85% in FY 2017-18 and FY 2018-19. The number of commercial inspections is projected to increase from 60,030 in FY 2016-17 to 61,188 in FY 2017-18 and 62,000 in FY 2018-19.</p>
Changes to Services and Activities	<p>Get Legal Program</p> <p>In 2018 BDS will be restoring the Get Legal program, which was discontinued several years ago. Get Legal brings bureau specialists together to assess work done without permit and provide assistance to property owners on how to bring their property up to code. The program will be available to residential and commercial low-income or special-needs property owners. While this program will be housed in Permitting Services, it will involve the expertise of Commercial Inspectors.</p>

Mobile Inspections

With POPS, the bureau will begin a gradual transition to greater use of technology in the field, including access to electronic plans via mobile devices (associated with the transition to electronic plan review for certain permit types). Staff will also explore entering inspection comments and results electronically, in the field, so the information is available immediately to customers.

Inspector Trainee Program

Many BDS inspectors are at or nearing retirement eligibility, so succession planning is important to avoid further impacts to service delivery. Given the difficulty Portland and other cities in the metro area experience in finding qualified candidates to fill inspector positions, BDS will re-start its Trainee Program to develop and train staff to fill inspector positions. BDS will also increase its partnership with local educational programs and schools to build a pipeline into these career paths, especially working with students of color and women, to encourage and facilitate them pursuing these programs and further diversify the bureau's workforce.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	42.40	46.79	50.37	50.35	50.35
Expenditures					
Commercial Inspections	5,045,215	6,170,955	7,294,644	7,138,650	7,138,650
Total Expenditures	5,045,215	6,170,955	7,294,644	7,138,650	7,138,650
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Efficiency					
Percentage of commercial inspections made within 24 hours of request	74%	83%	85%	85%	85%
Key Performance Measure					
Number of commercial inspections per day, per inspector	13.64	13.35	13.50	13.60	13.60
Workload					
Number of commercial inspections	57,916	60,030	61,188	62,000	62,000

Site Development

Description	<p>The Site Development Program includes plan review for geo-technical, flood plain, grading, private street, and site preparation issues, as well as erosion control requirements on private property. Staff reviews all applicable land use cases, identifying any land suitability issues and conditions. Field staff performs all related inspections, including those required by the Trees and Landscaping requirements for Titles 10 and 33 of the City of Portland Code and all required erosion control measures.</p> <p>The Environmental Soils subprogram works with property owners who have subsurface sanitary systems in need of repair, replacement, or decommissioning as the City provides public sanitary systems for their use. The City Sanitarian is located in this subprogram.</p>
Goals	<p>The Site Development program supports the Citywide goal to protect and enhance the natural and built environment. The Program also supports these bureau budget goals:</p> <ul style="list-style-type: none"> ◆ Commitment to Equity ◆ People – Organizational Structure ◆ Systems – Continuous Improvement of Services ◆ Tools – Technology Solutions ◆ Adaptability to Change – Workforce Development and Training
Performance	<p>The number of working days from site development plan submittal to the first review is projected to improve from 10.58 days in FY 2016-17 to 8.8 days in FY 2017-18 and 8.5 days in FY 2018-19. The number of site development plan reviews performed is projected to stay constant, ranging from 4,338 in FY 2016-17 to 4,350 in FY 2018-19. The number of Site Development permit inspections performed is projected to decrease from 268 in FY 2016-17 to 225 in FY 2017-18, then rebound to 250 in FY 2018-19.</p>
Changes to Services and Activities	<p>Environmental Soils Program Deficit</p> <p>Multnomah County and the City have an intergovernmental agreement that gives BDS responsibility for the County’s subsurface sewage program. BDS performs this work and is compensated with revenues that the bureau collects from permit fees for this program. The Board of County Commissioners sets the fees, and no additional compensation is given to the City for this work.</p> <p>Since the end of the Mid-County sewer hookup program in 1998, revenues have dropped substantially in this program. Fee increases have been implemented several times since 1999, but the program still has a significant reserve deficit. In 2005, the City Council agreed to inflationary fee increases until the reserve deficit is paid off.</p> <p>The Board of County Commissioners voted to raise fees by 10% in FY 2012-13 and agreed to 10% fee increases per year for the subsequent four years. A 10% fee increase in FY 2016-17 marked the final year of that agreement. The current forecast projects that the deficit should be eliminated by FY 2020-21.</p>

Bureau of Development Services

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	11.10	12.20	14.26	13.08	13.08
Expenditures					
Site Development	2,134,770	2,489,541	1,903,924	1,910,735	1,910,735
Total Expenditures	2,134,770	2,489,541	1,903,924	1,910,735	1,910,735
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Efficiency					
Average number of working days to first review	9.12	10.58	8.80	8.50	8.50
Workload					
Number of site development plan reviews	4,071	4,338	4,340	4,350	4,350
Number of site development permit inspections	253	268	225	250	250
Number of site development land use cases reviews	937	1,074	1,010	980	980
Number of sanitation permits and evaluations issued	443	485	540	550	550

Compliance Services

Description	<p>The Compliance Services Program is composed of Zoning and Construction Code compliance workgroups. These workgroups primarily respond to constituent complaints, investigate potential violations, and work with property owners, businesses, and tenants to resolve compliance issues at the lowest level possible.</p> <p>The Compliance Services and Neighborhood Inspections programs together comprise the bureau's Enforcement Program. The combined section includes Zoning Compliance, Landlord Training, Work without Permit, Dangerous Buildings, Signs & A-Boards, Nuisance, Housing, Derelict Buildings, Exterior Maintenance Requirements on non-Residential Structures, Chapter 13/Systematic Inspections, and Chronic Offenders. For budgeting purposes, the Neighborhood Inspections Program is shown as a separate program.</p>
Goals	<p>Compliance Services supports the Citywide goal to protect and enhance the natural and built environment. The program also supports these bureau budget goals:</p> <ul style="list-style-type: none"> ◆ Commitment to Equity ◆ People – Organizational Structure ◆ Systems – Continuous Improvement of Services ◆ Tools – Technology Solutions ◆ Adaptability to Change – Workforce Development and Training
Performance	<p>The bureau projects that the number of properties assessed code enforcement fees will decrease from 377 in FY 2016-17 to 338 in FY 2017-18 and 340 in FY 2018-19. The total number of zoning code activities (violation cases, inspections, and letters) will decrease from 5,626 in FY 2016-17 to 5,360 in FY 2017-18 and 5,350 in FY 2018-19.</p>
Changes to Services and Activities	<p>Get Legal Program</p> <p>In 2018 BDS will be restoring the Get Legal program, which was discontinued several years ago. Get Legal brings bureau specialists together to assess work done without permit and provide assistance to property owners on how to bring their property up to code. The program will be available to residential and commercial low-income or special-needs property owners. While this program will be housed in Permitting Services, it will involve the expertise of Compliance Services staff.</p> <p>The Housing Crisis</p> <p>With the ongoing housing crisis in Portland, there are an increasing number of issues that impact neighborhoods and drive up complaints, such as 'zombie houses' (illegally occupied, abandoned houses where criminal activity often occurs), illegal camping, housing violations and nuisance complaints. These issues stretch staff capacity to respond and address them. BDS staff continues to work with the Mayor's Office and other partners to find sites for housing services, such as campgrounds, temporary warming centers, and mass shelters.</p>

Bureau of Development Services

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	11.59	12.03	10.80	12.94	12.94
Expenditures					
Compliance Services	0	0	1,335,394	1,471,888	1,471,888
Total Expenditures	0	0	1,335,394	1,471,888	1,471,888
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Workload					
Number of enforcement cases prepared and presented to code hearings officer	2	1	2	2	2
Number of zoning code violation statistics (cases, inspections, and letters)	5,110	5,626	5,360	5,350	5,350
Number of home occupation permits issued	126	106	114	115	115
Number of properties assessed code enforcement fees	320	377	338	340	340
Number of construction code violation cases	124	333	255	260	260

Development Services

Description	<p>The Development Services Program (referred to as ‘Permitting Services’ on the BDS organizational chart) manages the flow of the public permitting process, from early assistance to permit issuance to maintaining the records for completed projects. Trade Permit staff reviewed and issued nearly just over 42,000 plumbing, electrical, mechanical, and sign permits in FY 2016-17. Permitting Services staff performed intakes for over 13,000 building permit applications in FY 2016-17, while assigning reviewers, tracking reviews, and issuing permits. Process Managers guide customers with large and complex projects through the permitting process; higher-level assistance for complex projects can be provided through the Major Projects Group. This program also includes the bureau’s Customer Service Section.</p>
Goals	<p>The Development Services program supports the Citywide goal to protect and enhance the natural and built environment. The program also supports these bureau budget goals:</p> <ul style="list-style-type: none"> ◆ Commitment to Equity ◆ People – Organizational Structure ◆ Systems – Continuous Improvement of Services ◆ Tools – Technology Solutions ◆ Adaptability to Change – Workforce Development and Training
Performance	<p>Development Services’ Key Performance Measure, the percentage of pre-issuance checks completed within 2 working days of the last review approval, is projected to increase from 62% in FY 2016-17 to 65% in FY 2017-18 and further to 70% in FY 2018-19. Making progress in this area contributes to the Portland Plan goal to ensure quality, affordable housing by minimizing delays in construction, thus reducing costs.</p> <p>54% of building permits were issued over-the-counter (on the same day as permit intake) in FY 2016-17; this number is projected to increase slightly to 56% in FY 2017-18 and FY 2018-19. The total number of building permits issued (commercial and residential) is projected to increase slightly from 13,013 in FY 2016-17 to 13,050 in FY 2017-18, then decrease to 12,950 in FY 2018-19.</p>
Changes to Services and Activities	<p>Development Services Center (DSC) and Permitting Services Improvements</p> <p>BDS is working with a space planner and security consultant to redesign the Development Services Center (DSC) and the 2nd Floor Permitting Services Center in the 1900 Building, improving customers’ experience and security for employees. Work is already underway in Permitting Services.</p> <p>Get Legal Program</p> <p>In 2018 BDS will be restoring the Get Legal program, which was discontinued several years ago. Get Legal brings bureau specialists together to assess work done without permit and provide assistance to property owners on how to bring their property up to code. The program will be available to residential and commercial low-income or special-needs property owners, and will involve the expertise of Permitting Services staff.</p>

Electronic Plan Review and Permit Database System

In 2018, BDS will simultaneously work with vendors to implement electronic plan review software and an improved permit database system. Proceeding with both projects at the same time will allow the bureau to begin the transition to electronic plan review in advance of completion of the permitting software. These projects will result in significant efficiencies for Permitting Services staff and staff from other development bureaus, as well as for customers.

Fast Track Permitting Pilot Project

BDS is preparing to implement the Mayor's Fast Track Permitting Pilot Project, to expedite building and public works permit review for a selected group of ten projects related to affordable housing, Portland's economic development strategy, and/or broader public benefit. Permitting Services staff will be intricately involved with the pilot project, and the bureau will be closely monitoring the project to learn from it and use successes to speed up permitting to more customers and projects.

Small Business Liaison Program

In 2018 BDS will develop a new Small Business Liaison Program to provide building permit assistance to small business owners. The program will provide a single point of contact to provide resources and help walk small business customers through the permitting process. The program will prioritize small businesses owned by minorities, as part of the bureau's efforts to improve services to historically underserved populations.

Digitization of Historic Records

In 2018, BDS will launch this project to digitize historic building records and make them available online. Having these records available electronically will be a great convenience for customers and staff.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	41.14	44.14	5.00	54.47	54.47
Expenditures					
Development Services	573,842	655,650	5,765,085	6,262,551	6,262,551
Total Expenditures	573,842	655,650	5,765,085	6,262,551	6,262,551
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Efficiency					
Percentage of building permits issued over the counter the same day as intake	53%	54%	56%	56%	56%
Key Performance Measure					
Percentage of pre-issuance checks completed within two working days of last review approval	53%	62%	65%	70%	70%

Bureau of Development Services

Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Workload					
Number of commercial building permits	4,570	4,868	4,900	4,850	4,850
Number of residential building permits	7,703	8,145	8,150	8,100	8,100
Total number of commercial and residential building permits	12,273	13,013	13,050	12,950	12,950
Number of electrical permits	19,159	19,131	19,204	19,178	19,178
Number of mechanical permits	11,277	11,203	11,410	12,218	12,218
Number of plumbing permits	10,657	11,016	10,852	10,898	10,898
Number of sign permits	804	733	660	774	774

Combination Inspections

Description	<p>The Combination Inspections Program (also known as Residential Inspections) ensures that new and remodeled one- and two-family residences meet building safety codes and requirements. In this program, the goal is for all inspectors to obtain State of Oregon certification in all four specialties: structural, mechanical, plumbing, and electrical. This approach saves contractors and homeowners time and money in scheduling inspections and allows the City to perform more inspections with fewer staff. Cost savings have been realized through this program, and other jurisdictions have recognized the quality of Portland’s training program and are using it as a model. The Combination Inspections Program resides in the bureau’s Inspections Services Division, which also includes Commercial Inspections, the Facility Permit Program, and the Field Issuance Remodel Program.</p>
Goals	<p>Combination Inspections supports the Citywide goal to protect and enhance the natural and built environment. The program also supports these following budget goals:</p> <ul style="list-style-type: none">◆ Commitment to Equity◆ People – Organizational Structure◆ Systems – Continuous Improvement of Services◆ Tools – Technology Solutions◆ Adaptability to Change – Workforce Development and Training
Performance	<p>Combination Inspections’ Key Performance Measure, the number of inspections completed per day per inspector, is projected to increase from 26.98 in FY 2016-17 to 28.33 in FY 2017-18 and 28.4 in FY 2018-19. The bureau’s target is 28.0 inspections per day per inspector. Meeting this target contributes to the Portland Plan goal to ensure quality, affordable housing by minimizing delays in construction, thus reducing costs.</p> <p>117,675 inspections were performed in FY 2016-17; this number is projected to increase to 124,000 in FY 2017-18 and further to 126,000 in FY 2018-19.</p>
Changes to Services and Activities	<p>Get Legal Program</p> <p>In 2018 BDS will be restoring the Get Legal program, which was discontinued several years ago. Get Legal brings bureau specialists together to assess work done without permit and provide assistance to property owners on how to bring their property up to code. The program will be available to residential and commercial low-income or special-needs property owners. While this program will be housed in Permitting Services, it will involve the expertise of Combination Inspections staff.</p>

Adding Staff to Address Senate Bill 871

Oregon Senate Bill 871 authorizes cities to establish programs for the demolition of residential structures. Through a collaborative process involving state agencies, the Development Review Advisory Committee, community advocates, the development industry, and other stakeholders, Portland is establishing regulations regarding asbestos and lead mitigation in residential demolitions. BDS will request 2.0 additional FTE via special ordinance to address this new work.

FTE & Financials		Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE		45.15	48.92	61.22	61.55	61.55
Expenditures						
Combination Inspections		5,375,277	5,700,945	7,010,975	8,040,211	8,040,211
Total Expenditures		5,375,277	5,700,945	7,010,975	8,040,211	8,040,211
Performance		Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Efficiency						
Number of inspection trips reduced due to multi-certified inspectors		21,245	19,130	19,450	19,450	19,450
Key Performance Measure						
Number of inspections per day, per inspector		25.34	26.98	28.33	28.40	28.40
Workload						
Number of residential inspections		119,023	117,675	124,000	126,000	126,000

Land Use Services

Description	<p>The Land Use Services Program (LUS) is responsible for implementing the goals and policies of the City’s Comprehensive Plan, including neighborhood and community plans. This is accomplished through administration of the Portland Zoning Code (Title 33 of the City Code), which includes the City’s Land Division Code, Metro’s Functional Plan, the Oregon State Transportation Planning Rule, and Oregon State Land Use Goals. LUS reviews development proposals for compliance with the Zoning Code (as part of the building permit process); provides public information regarding zoning regulations; performs discretionary reviews of development proposals (the land use review process); and supports legally-mandated record-keeping and public notices.</p>
Goals	<p>LUS supports the Citywide goal to protect and enhance the natural and built environment. The program also supports these bureau budget goals:</p> <ul style="list-style-type: none">◆ Commitment to Equity◆ People – Organizational Structure◆ Systems – Continuous Improvement of Services◆ Tools – Technology Solutions◆ Adaptability to Change – Workforce Development and Training
Performance	<p>LUS has two Key Performance Measures. First, the percentage of commercial new construction reviews completed within 20 days of application intake is projected to increase slightly from 74% in FY 2016-17 to 75% in FY 2017-18 and FY 2018-19. Second, the percentage of application completeness reviews completed within 14 days of application intake for Type II land use reviews is projected to increase from 37% in FY 2016-17 to 40% in FY 2017-18 and FY 2018-19. Making progress in these areas contributes to the Portland Plan goal to ensure quality, affordable housing by minimizing delays in construction, thus reducing costs.</p> <p>The number of land use review and final plat applications is projected to decrease significantly from 916 in FY 2016-17 to 818 in FY 2017-18, and further to 730 in FY 2018-19.</p>

Changes to Services and Activities

Bureau of Planning & Sustainability Projects

In FY 2018-19 LUS will work closely with the Bureau of Planning and Sustainability (BPS) on the implementation of several projects related to the Portland Zoning Code, including:

- ◆ Comprehensive Plan
- ◆ Central City 2035
- ◆ Neighborhood Contact
- ◆ Design Overlay Zone Assessment (DOZA)
- ◆ Residential Infill Project
- ◆ Better Housing by Design

Many BPS code amendments will go into effect in May 2018, so work has accelerated with customers who are determining whether to submit applications now under current code, or wait until the new code goes into effect. A spike in applications is expected just prior to and just after the effective date of the changes in May.

DOZA-Related Improvements to Design Review

Work continues with the Design Commission on design review improvements related to DOZA. Some improvements have already been realized; for example, reductions in the number of times projects need to return to the Design Commission, with more projects having just one hearing. Also, the Design Commission has been given checklists of the approval criteria and adopted design guidelines that apply to each project, to help focus their discussion and avoid 'moving the goalposts' during the course of their review of a project. Additional work will occur in the coming fiscal year, including BDS's partnership with BPS on re-writing the Community Design Standards and making changes to Historic Resource Review regulations.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	76.98	81.70	83.70	83.70	83.70
Expenditures					
Land Use Services	7,332,978	8,841,188	10,701,103	11,701,500	11,701,500
Total Expenditures	7,332,978	8,841,188	10,701,103	11,701,500	11,701,500

Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Key Performance Measure					
Percentage of Commercial Permit (New Construction) First Review done within 20 days of application intake	77%	74%	75%	75%	75%
Percentage of Type II Land Use Reviews – Application Completeness Review done within 14 days of application intake	42%	37%	40%	40%	40%
Workload					
Number of land use review and final plat applications	880	916	818	730	730

Neighborhood Inspections

Description

The Neighborhood Inspections Program protects the health, safety, and welfare of Portland residents, prevents the deterioration of existing housing, and contributes to neighborhood livability by enforcing minimum standards for residential structures and exterior maintenance requirements on non-residential properties, outdoor areas, and adjacent rights-of-way.

The Compliance Services and Neighborhood Inspections programs together comprise the bureau's Enforcement Program. The combined section includes Zoning Compliance, Landlord Training, Work without Permit, Dangerous Buildings, Signs & A-Boards, Nuisance, Housing, Derelict Buildings, Chapter 13/ Systematic Inspections, and Chronic Offenders. For budgeting purposes, Neighborhood Inspections is shown as a separate program.

Goals

The Neighborhood Inspections program supports the Citywide goals to protect and enhance the natural and built environment and to maintain and improve neighborhood livability. The program also supports these bureau budget goals:

- ◆ Commitment to Equity
- ◆ People – Organizational Structure
- ◆ Systems – Continuous Improvement of Services
- ◆ Tools – Technology Solutions
- ◆ Adaptability to Change – Workforce Development and Training

Performance

Neighborhood Inspections' Key Performance Measure, the number of housing units brought up to code (including the Enhanced Rental Inspection pilot program) is projected to decrease significantly from 2,509 in FY 2016-17 to 1,735 in FY 2017-18 and 1,730 in FY 2018-19. Making progress in this area contributes to the Portland Plan goal to ensure quality housing and to equity goals in the City's Comprehensive Plan.

The number of nuisance properties cleaned up is projected to increase from 2,381 in FY 2016-17 to 2,632 in FY 2017-18 and FY 2018-19.

Changes to Services and Activities

Mandatory 5% General Fund Cut (Budget Decision Package DS_01)

All City bureaus were directed to develop budget reduction packages totaling 5% of the General Fund allocations in their operating budgets. BDS receives General Fund support for only its local City Code programs, including Neighborhood Inspections. The bureau is meeting this requirement by making a reduction of \$49,126 in funds for nuisance abatements through the Neighborhood Inspections Program.

This reduction in funds will lead to approximately 27 fewer nuisance abatements completed in FY 2018-2019 (a reduction of 21% from FY 2016-17), potentially resulting in serious health and sanitation concerns at those properties not being addressed and removed. Reducing this critical basic service for the community will impact services that are vital to communities of color, immigrant and refugee

communities and/or people living with a disability. Nuisance abatements are often completed in non-affluent neighborhoods where responsible parties are unable or unwilling to maintain their properties in compliance with the City's minimum nuisance standards. If left unabated, these health/sanitation violations will remain, impacting other properties and general neighborhood livability.

Get Legal Program

In 2018 BDS will be restoring the Get Legal program, which was discontinued several years ago. Get Legal brings bureau specialists together to assess work done without permit and provide assistance to property owners on how to bring their property up to code. The program will be available to residential and commercial low-income or special-needs property owners. While this program will be housed in Permitting Services, it will involve the expertise of Neighborhood Inspections staff.

FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	21.61	22.48	26.10	26.08	26.08
Expenditures					
Neighborhood Inspections	2,474,933	2,749,555	3,246,699	3,440,960	3,606,210
Total Expenditures	2,474,933	2,749,555	3,246,699	3,440,960	3,606,210
Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Key Performance Measure					
Number of housing units brought up to code as a result of Neighborhood Inspection Division efforts (includes enhanced inspection pilot beginning in 2010-11)	1,896	2,509	1,735	1,730	1,730
Outcome					
Number of code enforcement fee waivers granted	721	682	690	685	685
Output					
Number of properties cleaned up	2,391	2,381	2,632	2,632	2,605
Workload					
Number of nuisance inspections	8,887	8,178	8,468	8,400	8,400
Number of housing and derelict buildings inspections	3,216	5,873	4,784	4,800	4,800
Number of housing intakes	2,305	2,105	2,160	2,165	2,165
Number of nuisance intakes	4,880	4,148	4,525	4,530	4,530
Number of code enforcement fee waiver requests	723	700	705	710	710
Number of housing units inspected (includes enhanced inspection pilot beginning in 2010-11)	3,935	5,080	3,840	3,850	3,850

Plan Review

Description	<p>The Plan Review Program processes and approves building and mechanical permits for residential and commercial structures. Plans Examiners review building projects and provide general information on life safety, energy conservation, accessibility, and related building requirements. Staff helps permit applicants understand building codes and the review process in order to successfully obtain permits for their projects. Staff in the Engineering Plan Review Section reviews structural and mechanical plans to determine compliance with engineering requirements of the Oregon Structural and Mechanical Specialty Code. These reviews are required for any projects that have engineering components.</p>
Goals	<p>The Plan Review program supports the Citywide goal to protect and enhance the natural and built environment. The program also supports these bureau budget goals:</p> <ul style="list-style-type: none">◆ Commitment to Equity◆ People – Organizational Structure◆ Systems – Continuous Improvement of Services◆ Tools – Technology Solutions◆ Adaptability to Change – Workforce Development and Training
Performance	<p>Plan Review has two Key Performance Measures related to building plan review, which is performed by staff from BDS and as many as five other City bureaus. In FY 2016-17, the City met its plan review turnaround goals for 71% of residential plans and 57% of commercial plans. The bureau projects those numbers will increase to 72% of residential plans and 60% of commercial plans in FY 2017-18 and FY 2018-19. Making progress in these areas contributes to the Portland Plan goal to ensure quality, affordable housing by minimizing delays in construction, thus reducing costs.</p>
Changes to Services and Activities	<p>Electronic Plan Review and Permit Database System</p> <p>In 2018, BDS will simultaneously work with vendors to implement electronic plan review software and an improved permit database system. Proceeding with both projects at the same time will allow the bureau to move to electronic plan review in advance of completion of the permitting software. These projects will result in significant efficiencies for BDS Plan Review staff and staff from other development bureaus, as well as for customers.</p> <p>Fast Track Permitting Pilot Project</p> <p>BDS is preparing to implement the Mayor’s Fast Track Permitting Pilot Project, which seeks to develop a process to expedite building and public works permit review for a selected group of ten projects related to affordable housing, Portland’s economic development strategy, and/or broader public benefit. Plan Review staff will be intricately involved with the pilot project, and the bureau will be closely monitoring the project for impacts on staff and customers.</p>

Adding Engineers

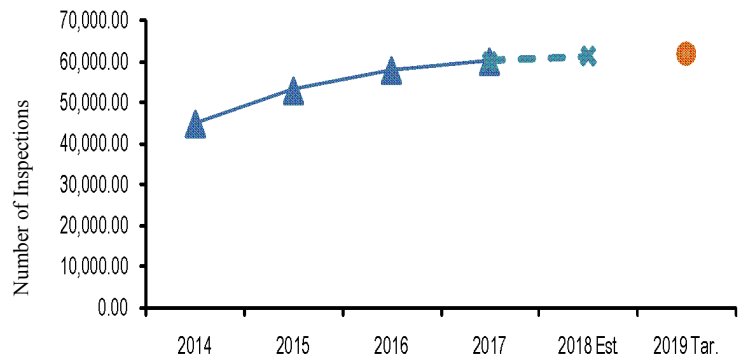
In 2018, the program intends to add two engineer positions (Geotechnical and Structural) to address work from anticipated large development projects and to support the Mayor's Fast Track Permitting Pilot project. The bureau will request the positions in the 2018 Spring Budget Monitoring Process (BMP).

FTE & Financials		Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE		41.56	47.41	101.92	53.45	53.45
Expenditures						
Plan Review		8,781,437	9,987,714	6,690,569	7,439,515	7,439,515
Total Expenditures		8,781,437	9,987,714	6,690,569	7,439,515	7,439,515
Performance		Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Key Performance Measure						
Percentage of residential plans reviewed by all bureaus within scheduled end dates		72%	71%	72%	72%	72%
Percentage of commercial plans reviewed by all bureaus within scheduled end dates		57%	57%	60%	60%	60%

Performance Measures

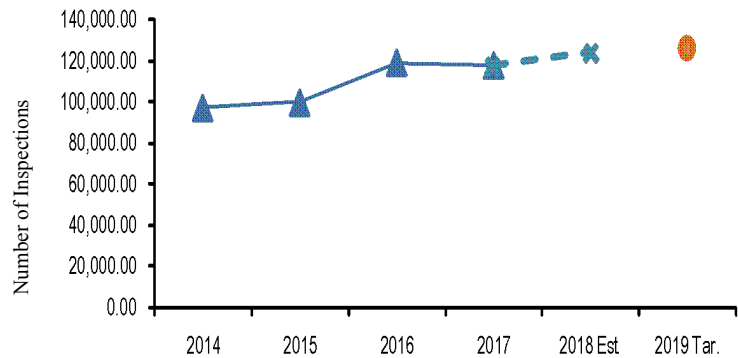
Commercial Inspections

The number of commercial inspections is projected to increase slightly in FY 2018-19.



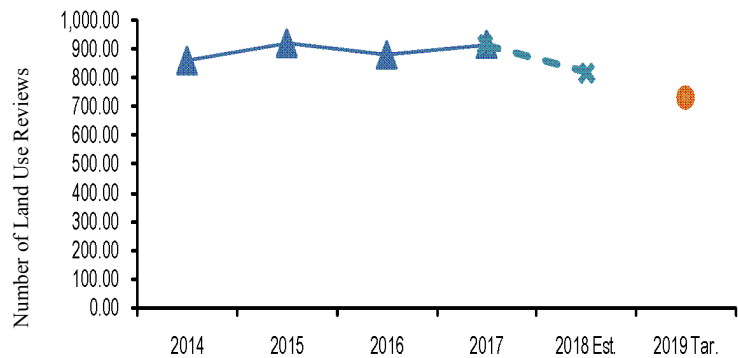
Residential Inspections

Residential inspections are expected to slightly increase in FY2018-19.



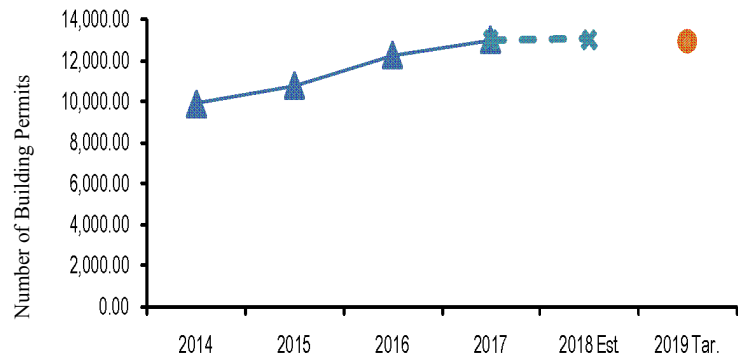
Land Use Review and Final Plat Applications

The number of land use applications is projected to decrease in FY2018-19.



Total Commercial and Residential Building Permits

The number of building permits is expected to slightly decrease in FY2018-19.



	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
Resources					
External Revenues					
Licenses & Permits	43,436,697	46,313,837	40,986,855	45,771,580	45,771,580
Charges for Services	17,347,110	18,769,455	17,007,502	18,044,287	18,044,287
Bond & Note	0	37,000,000	0	0	0
Miscellaneous	4,627,543	5,284,705	4,277,674	4,032,724	4,032,724
Total External Revenues	65,411,350	107,367,997	62,272,031	67,848,591	67,848,591
Internal Revenues					
Fund Transfers - Revenue	2,206,621	2,117,744	952,985	982,528	933,402
Interagency Revenue	1,013,547	1,092,472	1,317,579	919,024	964,024
Total Internal Revenues	3,220,168	3,210,216	2,270,564	1,901,552	1,897,426
Beginning Fund Balance	51,228,946	71,162,435	80,291,247	88,083,543	88,083,543
Total Resources	\$119,860,464	\$181,740,648	\$144,833,842	\$157,833,686	\$157,829,560
Requirements					
Bureau Expenditures					
Personnel Services	33,729,868	37,556,654	46,423,120	51,641,769	51,641,769
External Materials and Services	2,968,976	5,513,316	4,952,008	5,817,928	5,817,928
Internal Materials and Services	9,077,087	11,942,233	12,728,005	10,980,888	11,146,138
Capital Outlay	702,191	0	0	0	0
Total Bureau Expenditures	46,478,122	55,012,203	64,103,133	68,440,585	68,605,835
Fund Expenditures					
Debt Service	1,038,216	48,361,418	1,270,656	1,360,492	1,360,492
Contingency	0	0	27,394,137	27,684,550	27,515,174
Fund Transfers - Expense	1,181,691	1,734,257	2,065,916	2,348,059	2,348,059
Total Fund Expenditures	2,219,907	50,095,675	30,730,709	31,393,101	31,223,725
Ending Fund Balance	71,162,435	76,632,770	50,000,000	58,000,000	58,000,000
Total Requirements	\$119,860,464	\$181,740,648	\$144,833,842	\$157,833,686	\$157,829,560
Programs					
Administration & Support	14,759,670	18,420,651	20,041,490	21,034,575	21,034,575
Combination Inspections	5,375,277	5,700,945	7,010,975	8,040,211	8,040,211
Commercial Inspections	5,045,215	6,170,955	7,294,644	7,138,650	7,138,650
Compliance Services	0	0	1,335,394	1,471,888	1,471,888
Development Services	573,842	655,650	5,765,085	6,262,551	6,262,551
General Planning	0	0	113,250	0	0
Grants Management	0	(3,996)	0	0	0
Land Use Services	7,332,978	8,841,188	10,701,103	11,701,500	11,701,500
Neighborhood Inspections	2,474,933	2,749,555	3,246,699	3,440,960	3,606,210
Plan Review	8,781,437	9,987,714	6,690,569	7,439,515	7,439,515
Site Development	2,134,770	2,489,541	1,903,924	1,910,735	1,910,735
Total Programs	46,478,122	\$55,012,203	\$64,103,133	\$68,440,585	\$68,605,835

This table summarizes project expenses by capital programs.

Bureau Capital Program Project	Prior Years	Revised FY 2017-18	Requested FY 2018-19	Capital Plan				5-Year Total
				FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	
Special Projects								
Portland Online Permitting System	0	0	4,275,454	0	0	0	0	4,275,454
Total Special Projects	0	0	4,275,454	0	0	0	0	4,275,454
Total Requirements	0	0	4,275,454	0	0	0	0	4,275,454

Class	Title	Salary Range		Revised FY 2017-18		Requested No DP FY 2018-19		Requested FY 2018-19	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000063	Accountant II	54,912	69,139	3.00	169,524	3.00	182,422	3.00	182,422
30000064	Accountant III	60,466	76,045	1.00	60,468	1.00	60,468	1.00	60,468
30000434	Administrative Assistant	50,877	78,333	1.00	82,284	1.00	82,284	1.00	82,284
30000433	Administrative Specialist, Sr	47,362	72,904	9.00	567,696	9.00	573,022	9.00	573,022
30000436	Administrative Supervisor I	61,734	82,285	1.00	63,000	1.00	65,580	1.00	65,580
30000437	Administrative Supervisor II	64,813	86,403	1.00	70,236	1.00	72,156	1.00	72,156
30000173	Building Inspector II	69,056	79,872	20.00	1,459,890	20.00	1,481,759	20.00	1,481,759
30000174	Building Inspector, Sr	77,501	89,690	22.00	1,932,360	22.00	1,936,560	22.00	1,936,560
30000442	Business Operations Manager, Sr	105,248	146,973	1.00	137,015	1.00	142,554	1.00	142,554
30000440	Business Operations Supervisor	75,150	100,526	1.00	81,120	1.00	83,336	1.00	83,336
30000448	Business Systems Analyst	64,813	86,403	5.00	356,988	5.00	361,395	5.00	361,395
30000447	Business Systems Analyst, Assistant	50,877	78,333	2.00	109,338	2.00	111,738	2.00	111,738
30000449	Business Systems Analyst, Sr	71,510	95,472	1.00	80,640	1.00	83,124	1.00	83,124
30000184	Code Specialist II	46,717	61,859	5.00	277,224	5.00	286,047	5.00	286,047
30000186	Code Specialist III	50,357	66,040	2.00	124,800	2.00	128,982	2.00	128,982
30000170	Combination Inspector	73,632	85,322	14.00	1,160,032	14.00	1,167,990	14.00	1,167,990
30000492	Community Outreach & Informtn Rep	61,734	82,285	1.00	82,284	1.00	82,284	1.00	82,284
30000493	Community Outreach & Informtn Rep, Sr	68,078	90,792	1.00	68,076	1.00	68,076	1.00	68,076
30000426	Development Services Director	130,208	186,576	1.00	179,520	1.00	184,812	1.00	184,812
30000733	Development Services Manager	91,104	121,368	1.00	91,104	1.00	91,104	1.00	91,104
30000335	Development Services Project Coord	69,472	88,712	6.00	496,776	6.00	502,970	6.00	502,970
30000332	Development Services Technician I	42,682	57,200	10.00	442,236	10.00	460,253	10.00	460,253
30000333	Development Services Technician II	57,200	72,987	38.00	2,357,109	38.00	2,423,944	38.00	2,423,944
30000334	Development Services Technician III	69,472	88,712	8.00	630,432	8.00	644,584	8.00	644,584
30000836	Development Supervisor II	78,770	105,851	4.00	346,584	4.00	349,719	4.00	349,719
30000168	Electrical Inspector	69,056	79,872	11.00	846,920	11.00	853,437	11.00	853,437
30000169	Electrical Inspector, Sr	77,501	89,690	7.00	627,816	7.00	627,816	7.00	627,816
30000680	Engineer, Sr	91,603	122,096	2.00	239,838	2.00	243,615	2.00	243,615
30000681	Engineer, Supervising	98,446	131,269	1.00	131,268	1.00	131,268	1.00	131,268
30000367	Engineer-Geotechnical	91,333	110,989	6.00	603,100	6.00	620,166	6.00	620,166
30000368	Engineer-Mechanical	91,333	110,989	2.00	202,320	2.00	202,320	2.00	202,320
30000369	Engineer-Structural	91,333	110,989	12.00	1,251,028	12.00	1,282,024	12.00	1,282,024
30000360	Engineering Associate, Sr-Geotechnical	78,978	100,672	1.00	78,984	1.00	78,984	1.00	78,984
30000567	Financial Analyst	64,813	86,403	2.00	136,856	2.00	139,806	2.00	139,806
30000569	Financial Analyst, Principal	84,739	112,882	1.00	86,189	1.00	89,722	1.00	89,722
30000568	Financial Analyst, Sr	71,510	95,472	1.00	77,276	1.00	80,442	1.00	80,442
30000372	Graphics Designer II	57,200	72,987	1.00	69,761	1.00	72,984	1.00	72,984
30000373	Graphics Designer III	69,472	88,712	1.00	69,468	1.00	69,468	1.00	69,468
30000028	Hearings Clerk	48,173	63,357	2.00	118,272	2.00	120,252	2.00	120,252
30000734	Housing Inspection Supervisor	78,770	105,851	2.00	171,084	2.00	174,549	2.00	174,549
30000171	Housing Inspector	52,562	66,539	12.00	711,091	12.00	726,101	12.00	726,101
30000172	Housing Inspector, Sr	69,368	80,288	4.00	277,488	4.00	283,864	4.00	283,864
30000736	Inspection Manager	97,989	132,766	3.00	328,752	3.00	328,752	3.00	328,752
30000735	Inspection Supervisor	84,739	112,882	7.00	658,346	7.00	669,374	7.00	669,374
30000451	Management Analyst	64,813	86,403	3.00	259,200	3.00	259,200	3.00	259,200
30000453	Management Analyst, Principal	84,739	112,882	3.00	310,512	3.00	310,512	3.00	310,512
30000452	Management Analyst, Sr	71,510	95,472	3.00	286,245	3.00	286,416	3.00	286,416
30000450	Management Assistant	50,877	78,333	4.00	239,730	4.00	245,274	4.00	245,274
30000011	Office Support Specialist I	31,678	45,261	1.00	31,680	1.00	36,491	1.00	36,491
30000012	Office Support Specialist II	34,798	49,962	19.00	822,237	19.00	846,851	19.00	846,851

Class	Title	Salary Range		Revised FY 2017-18		Requested No DP FY 2018-19		Requested FY 2018-19	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000013	Office Support Specialist III	44,512	58,989	7.00	348,186	7.00	361,606	7.00	361,606
30000730	Plan Review Supervisor	84,739	112,882	4.00	392,592	4.00	399,624	4.00	399,624
30000377	Planner I, City-Land Use	66,747	77,251	9.00	666,302	9.00	687,095	9.00	687,095
30000381	Planner I, City-Urban Design	66,747	77,251	3.00	210,938	3.00	219,748	3.00	219,748
30000384	Planner II, City-Environmental	76,752	88,837	2.00	158,214	2.00	165,814	2.00	165,814
30000385	Planner II, City-Land Use	76,752	88,837	15.00	1,283,991	15.00	1,299,776	15.00	1,299,776
30000389	Planner II, City-Urban Design	76,752	88,837	9.00	747,564	9.00	759,492	9.00	759,492
30000375	Planner, Associate	60,674	70,221	8.00	507,084	8.00	521,010	8.00	521,010
30000725	Planner, Principal	97,989	132,766	1.00	120,561	1.00	125,506	1.00	125,506
30000393	Planner, Sr City-Land Use	82,514	95,493	10.00	915,636	10.00	935,560	10.00	935,560
30000397	Planner, Sr City-Urban Design	82,514	95,493	4.00	369,000	4.00	372,696	4.00	372,696
30000724	Planner, Supervising	84,739	112,882	5.00	537,585	5.00	547,649	5.00	547,649
30000374	Planning Assistant	35,714	45,573	3.00	112,776	3.00	114,496	3.00	114,496
30000231	Plans Examiner, Commercial	72,259	83,658	20.00	1,594,749	20.00	1,611,543	20.00	1,611,543
30000230	Plans Examiner, Residential	59,446	68,786	7.00	432,364	7.00	447,910	7.00	447,910
30000232	Plans Examiner, Sr	78,520	90,896	5.00	438,912	5.00	442,116	5.00	442,116
30000164	Plumbing Inspector	69,056	79,872	8.00	611,156	8.00	614,784	8.00	614,784
30000165	Plumbing Inspector, Sr	77,501	89,690	4.00	358,752	4.00	358,752	4.00	358,752
30000464	Program Coordinator	68,078	90,792	2.00	153,956	2.00	157,208	2.00	157,208
30000463	Program Specialist	61,734	82,285	3.00	238,620	3.00	241,150	3.00	241,150
30000497	Public Information Manager	78,770	105,851	1.00	124,908	1.00	125,768	1.00	125,768
30000495	Public Information Officer	71,510	95,472	1.00	83,496	1.00	85,776	1.00	85,776
30000485	Safety & Risk Officer I	71,510	95,472	1.00	79,992	1.00	82,184	1.00	82,184
30000177	Site Development Inspector I	60,382	69,867	2.00	123,804	2.00	126,948	2.00	126,948
30000179	Site Development Inspector II	69,056	79,872	2.00	142,150	2.00	145,722	2.00	145,722
30000178	Site Development Inspector, Sr	77,501	89,690	2.00	179,376	2.00	179,376	2.00	179,376
30000531	Training & Development Analyst	64,813	86,403	2.00	135,048	2.00	137,688	2.00	137,688
30000518	Video Production Specialist	61,734	82,285	2.00	133,752	2.00	135,474	2.00	135,474
TOTAL FULL-TIME POSITIONS				412.00	31,263,661	412.00	31,809,322	412.00	31,809,322
30000385	Planner II, City-Land Use	76,752	88,837	0.90	79,956	0.90	79,956	0.90	79,956
30000392	Planner, Sr City-Environmental	82,514	95,493	0.90	85,944	0.90	85,944	0.90	85,944
30000393	Planner, Sr City-Land Use	82,514	95,493	0.90	85,944	0.90	85,944	0.90	85,944
TOTAL PART-TIME POSITIONS				2.70	251,844	2.70	251,844	2.70	251,844
30000448	Business Systems Analyst	64,813	86,403	1.00	76,122	1.00	79,242	1.00	79,242
30000449	Business Systems Analyst, Sr	71,510	95,472	0.67	47,672	1.00	71,508	1.00	71,508
30000333	Development Services Technician II	57,200	72,987	2.00	129,402	2.00	135,867	2.00	135,867
30000334	Development Services Technician III	69,472	88,712	2.00	165,360	2.00	167,856	2.00	167,856
30000168	Electrical Inspector	69,056	79,872	1.00	79,872	1.00	79,872	1.00	79,872
30000369	Engineer-Structural	91,333	110,989	1.00	106,126	1.00	110,988	1.00	110,988
30000453	Management Analyst, Principal	84,739	112,882	0.83	70,620	1.00	84,744	1.00	84,744
30000450	Management Assistant	50,877	78,333	2.00	101,760	2.00	101,760	2.00	101,760
30000011	Office Support Specialist I	31,678	45,261	0.00	0	0.00	0	0.00	0
30000012	Office Support Specialist II	34,798	49,962	2.00	84,528	1.92	85,209	1.92	85,209
30000013	Office Support Specialist III	44,512	58,989	2.00	112,704	2.00	115,368	2.00	115,368
30000381	Planner I, City-Urban Design	66,747	77,251	1.00	66,744	1.00	66,744	1.00	66,744
30000385	Planner II, City-Land Use	76,752	88,837	2.00	177,672	2.00	177,672	2.00	177,672
30000231	Plans Examiner, Commercial	72,259	83,658	1.00	79,620	1.00	82,990	1.00	82,990
30000230	Plans Examiner, Residential	59,446	68,786	0.00	0	0.00	0	0.00	0
30000164	Plumbing Inspector	69,056	79,872	0.67	46,040	1.00	69,060	1.00	69,060
30000177	Site Development Inspector I	60,382	69,867	0.00	0	0.00	0	0.00	0

Class	Title	Salary Range		Revised FY 2017-18		Requested No DP FY 2018-19		Requested FY 2018-19	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30001031	Technology Capital Project Manager I	97,989	132,766	1.00	97,992	1.00	97,992	1.00	97,992
TOTAL LIMITED TERM POSITIONS				20.17	1,442,234	20.92	1,526,872	20.92	1,526,872
GRAND TOTAL				434.87	32,957,739	435.62	33,588,038	435.62	33,588,038

	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19	Proposed FY 2018-19
Resources						
Licenses & Permits	43,436,697	46,313,837	40,986,855	45,771,580	45,771,580	
Charges for Services	17,347,110	18,769,455	17,007,502	18,044,287	18,044,287	
Bond & Note	0	37,000,000	0	0	0	
Miscellaneous	4,627,543	5,284,705	4,277,674	4,032,724	4,032,724	
Total External Revenues	65,411,350	107,367,997	62,272,031	67,848,591	67,848,591	
Fund Transfers - Revenue	2,206,621	2,117,744	952,985	982,528	933,402	
Interagency Revenue	1,013,547	1,092,472	1,317,579	919,024	964,024	
Total Internal Revenues	3,220,168	3,210,216	2,270,564	1,901,552	1,897,426	
Beginning Fund Balance	51,228,946	71,166,201	80,291,247	88,083,543	88,083,543	
Total Resources	119,860,464	181,744,414	144,833,842	157,833,686	157,829,560	
Requirements						
Personnel Services	33,726,102	37,560,420	46,423,120	51,641,769	51,641,769	
External Materials and Services	2,968,976	5,513,316	4,952,008	5,817,928	5,817,928	
Internal Materials and Services	9,077,087	11,942,233	12,728,005	10,980,888	11,146,138	
Capital Outlay	702,191	0	0	0	0	
Total Bureau Expenditures	46,474,356	55,015,969	64,103,133	68,440,585	68,605,835	
Debt Service	1,038,216	48,361,418	1,270,656	1,360,492	1,360,492	
Contingency	0	0	27,394,137	27,684,550	27,515,174	
Fund Transfers - Expense	1,181,691	1,734,257	2,065,916	2,348,059	2,348,059	
Total Fund Expenditures	2,219,907	50,095,675	30,730,709	31,393,101	31,223,725	
Ending Fund Balance	71,166,201	76,632,770	50,000,000	58,000,000	58,000,000	
Total Requirements	119,860,464	181,744,414	144,833,842	157,833,686	157,829,560	

Fund Overview

The Development Services Fund accounts for all revenues and expenditures related to activities and services provided by the Bureau of Development Services (BDS).

Managing Agency Bureau of Development Services

Significant Changes from Prior Year

Peaking Construction Activity

Construction activity in the Portland metropolitan area is not expected to continue the high levels of growth experienced in the past few years. On February 1, 2017, the City's implemented an Inclusionary Housing policy. The full effects of this policy on development activity will not be known for some time; however, it is expected to impact the timing, characteristics, and number of multifamily housing development projects serviced by the bureau. In FY 2018-19 workload is expected to remain elevated. New positions are expected to be added to meet and improve service levels.

**Portland Online
Permitting System
(POPS)**

The bureau remains committed to moving forward with the Portland Online Permitting System (POPS) and is proceeding with implementation of the plan developed during the project 'discovery phase". The plan includes simultaneous implementation of standalone electronic plan review software while continuing to develop the permitting software. Approaching the project in this manner will allow the bureau to benefit from electronic plan review in advance of completion of the permitting software.

Fee Changes

The FY 2018-19 Requested Budget includes no fee increases; however, hourly charges are being evaluated to ensure they cover the costs of providing services.

Decision Package Summary

Bureau: <u>Bureau of Development Services</u>					Priority: <u>01</u>	Type: <u>Reductions</u>		
Decision Package: <u>DS_01 - Mandatory 5% General Fund Cut</u>					Program: <u>Neighborhood Inspections</u>			
	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget	
EXPENDITURES								
External Materials and Services	0	0	0	0	0	0	0	0
Contingency	0	(49,126)	(49,126)	0	0	0	0	0
TOTAL EXPENDITURES	0	(49,126)	(49,126)	0	0	0	0	0
REVENUES								
Fund Transfers - Revenue	0	(49,126)	(49,126)	0	0	0	0	0
TOTAL REVENUES	0	(49,126)	(49,126)	0	0	0	0	0

Description:

All City bureaus were directed to develop budget reduction packages totaling 5% of the General fund allocations in their operating budgets. For BDS, this 5% cut equates to a reduction of \$49,126. The bureau is meeting this requirement by making reductions to funds for nuisance abatements in the Neighborhood Inspection Program.

Expected Results:

For the Neighborhood Inspections Program, the 5% cut will result in a \$49,126 reduction to current nuisance abatement funds. There will be 27 fewer nuisance abatements completed in FY 2018-2019, a 21% reduction in the total nuisance abatements performed, and serious health and sanitation concerns at these 27 properties not being addressed and removed. Reducing this critical basic service for the community will impact services that are vital to communities of color, immigrant and refugee communities, and/or people living with a disability. Nuisance abatements are often completed in non-affluent neighborhoods where responsible parties are unable or unwilling to maintain their properties in compliance with the City's minimum nuisance standards. If left unabated, these health/sanitation violations will remain, impacting other properties and general neighborhood livability.

Decision Package Summary

Bureau: <u>Bureau of Development Services</u>					Priority: <u>01</u>	Type: <u>Adds</u>		
Decision Package: <u>DS_02 - IA with Attorney's Office - Foreclosure Program</u>					Program: <u>Enforcement</u>			
	FY 2018-19	FY 2018-19	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	
	Requested	Requested	Requested	Estimated	Estimated	Estimated	Estimated	
	1 Time DP	Ongoing DP	Budget	Budget	Budget	Budget	Budget	
EXPENDITURES								
External Materials and Services	0	0	0	0	0	0	0	0
Internal Materials and Services	0	165,250	165,250	0	0	0	0	0
Contingency	0	(165,250)	(165,250)	0	0	0	0	0
TOTAL EXPENDITURES	0	0	0	0	0	0	0	0

Description:

This request is for BDS to continue funding \$162,250 for the work of 0.5 FTE Deputy City Attorney with standard legal assistant and administrative support, including materials and services, for enforcement work on vacant and distressed homes.

Expected Results:

This program provides benefits to neighborhood livability by identifying and addressing abandoned and dilapidated properties in neighborhoods throughout the City. Vacant and abandoned houses are a major problem affecting neighborhood livability, particularly during a homelessness crisis. The City Attorney position will provide general legal advice to BDS on legal issues related to the City's foreclosure program, receiverships, acquisitions, and other issues related to vacant and distressed properties.

Decision Package Summary

Bureau: Bureau of Development Services					Priority: 02	Type: Adds		
Decision Package: DS_03 - IA with ONI					Program: Communications			
	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget	
EXPENDITURES								
Personnel Services	0	0	0	0	0	0	0	0
Contingency	0	45,000	45,000	0	0	0	0	0
TOTAL EXPENDITURES	0	45,000	45,000	0	0	0	0	0
REVENUES								
Interagency Revenue	0	45,000	45,000	0	0	0	0	0
TOTAL REVENUES	0	45,000	45,000	0	0	0	0	0

Description:

This is an appropriation of \$45,000 BDS is receiving from the Office of Neighborhood Involvement (ONI) for ONI's use of the BDS Communications Team.

Expected Results:

BDS has reached an agreement to allow ONI to use BDS's new Communications Team to assist with a variety of ONI projects, including (but not limited to): standardizing bureau communications; rebranding; sanctuary cities; and work in several programs, including Cannabis, Crime Prevention/Neighborhoods, Livability, Disability, Community and Neighborhood Involvement Center, Alternative Shelter, 311/Information and Referral, and Portlanders Policy Commission.