



**City of
Portland, Oregon
Bureau of Development Services**

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**FY 2010-11 Service Improvement Plan
Bureau of Development Services
February 1, 2010**

The Bureau of Development Services (BDS) is committed to continuously improving its services to customers and the community. The bureau remains dedicated to this commitment in Fiscal Year (FY) 2010-11 as it copes with the serious financial challenges facing the development industry and the overall economy. BDS began implementing a variety of cost-saving measures in 2008 as permit revenues began to decline, and was eventually compelled to reduce its staff by one-half in 2009 in order to maintain financial stability. Since the layoffs, the bureau has been struggling to meet the workload demands.

BDS continues to communicate with customers and stakeholders regarding their needs and the bureau's ability to provide services while experiencing serious financial and staffing constraints.

In light of these realities, this Service Improvement Plan focuses on obtaining the resources that will enable BDS to continue to provide quality services to its customers and the community.

Technology

The budget and staff reductions at BDS have compelled the bureau to downsize and re-engineer some of its processes. In the course of reshaping the organization, it became clear that BDS's current levels of automation, transparency, and public access to information hinder the bureau's effectiveness and ability to be efficient with limited resources. The bureau had been proceeding with implementing an 18-month plan to improve its technology tools; however, significant cuts in the budget stalled this plan.

During the restructuring, Commissioner Randy Leonard directed the bureau to identify its technology needs and analyze technology use in other building organizations of comparable size and scope to BDS. This analysis was completed in January 2010, and a recommendation has been made to Commissioner Leonard to make a major investment that will significantly enhance BDS's technology tools over the next two years. BDS envisions a system that will include the following capabilities:

- Electronic access to all historic permit and land use records for customers and staff
- Online land use and permit application and plan submittal
- Electronic plan review
- Online fee payment and permit issuance
- Electronic entry of inspection results and real-time access for field staff and customers

This system will save customers and stakeholders time and money by giving them remote access to information and services, 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.

BDS is taking a request to City Council in February 2010 for funding for the Technology Initiative. It is anticipated that funding this system will not negatively impact or take away from the bureau's operations and staffing needs. If funding is approved, the bureau expects that it will take approximately 24 months for the system to be implemented.

Neighborhood Inspections & Land Use Services

The Neighborhood Inspections and Land Use Services (LUS) Programs have been underfunded and beset by deficits in their reserve funds for several years. In addition, when Neighborhood Inspections returned to BDS from ONI in FY 2006-07, it lost approximately \$750,000 in General Fund support. Coupled with BDS's budget and staffing cuts, the underfunding of these programs has led to significant negative impacts to services, including:

Neighborhood Inspections

- Eliminated live phone coverage for the BDS Enforcement Hotline.
- Prioritized complaint types in order to effectively address the most critical issues with reduced resources.
- Lengthened the response time to investigate assigned cases and reduced reinspections and case management of active cases.
- Reduced the number of violation cases referred to the Code Hearings Officer for additional enforcement remedies to gain compliance.
- Eliminated nuisance abatements, except for the most severe Fire/Life/Safety and Health/Sanitation issues.
- Suspended the Chapter 13/Systematic Inspection Program for older three-story and higher apartment houses.
- Suspended the Disabled Vehicle enforcement program.

LUS

- Reduced the operation of the Development Services Center (DSC) to 4 days per week.
- Eliminated Thursday Permit Night.
- Lengthened DSC wait times for customers.
- Eliminated live phone coverage for the BDS Zoning Hotline.
- Eliminated some early assistance functions that were done for no charge.
- Eliminated much of the outreach and education that was done for no charge, except by request.

Without additional funding to add staff, BDS cannot improve these services, and will have to reduce services further. In its FY 2010-11 budget request, BDS is asking for an increase of \$750,000 in General Fund support for Neighborhood Inspections and an additional \$550,000 in General Fund support for LUS, for a total of \$1.3 million in ongoing support.

Match Staffing to Workload

BDS cut approximately 150 staff in 2009 due to declining permit revenues and workload. However, a pattern has emerged in which permit revenues have fallen more dramatically than the workload. The bureau's fee structure has been to charge lower fees to smaller projects and higher fees to larger projects due to the presumption that fees are less affordable for smaller projects. This practice is not unique to Portland and is used by many other jurisdictions. However, the economy has halted nearly all construction of large development projects, thereby significantly reducing the bureau's revenues. As a result, BDS cut staff positions to balance the budget and now does not have sufficient staff to meet its current workload. Service levels throughout the bureau have fallen significantly, impacting bureau customers, development projects, and neighborhood livability.

To help remedy this situation, BDS is making two funding requests in its FY 2010-11 budget request: First, BDS is requesting one-time General Fund support of \$1.6 million in its FY 2010-11 budget request in order to fund the addition of 13.5 FTE. This funding will allow the addition of essential staff to bring the bureau up to minimally acceptable service levels. While the request is for one-time funding, the bureau projects that revenues will have recovered sufficiently by FY 2011-12 to continue funding the positions.

Second, BDS is requesting \$800,000 in ongoing funding that would support the addition of another 7 FTE. This request would more fully address the service level impacts being felt throughout the bureau, but there would still be delays in all services, including plan review, inspections, land use review, and code enforcement.

If one or both of these funding requests are approved, BDS will add staff positions effective July 1, 2010. In the meantime, a restructuring effort is in place to explore and implement innovative and workable solutions to many of the bureau's operational struggles, and bureau staff is working to be as responsive as possible to customers' needs.

Program Summary Template
City Bureau: Development Services

1. Program Title	2. Program Manager	3. Phone	4. Website (if available)	5. Program Description	6. Program Staff		7. Operating Budget	8. Capital Budget	9. Revenues				10. Functional Area	11. Output Measure(s)	12. Capital Assets and Status	13. Major Maintenance	14. Customer Survey Data (from 2008 Customer Survey)	15. Program Rankings		
					Full-time	Part-time			General Fund	Rates/fees	External Customers	Grants						Other	Core	Community
Commercial Inspections	Jim Nicks	(503) 823-1054	http://www.portlandonline.com/bds/	Performs state-mandated inspections on industrial, commercial, and multi-family construction projects in Portland and the urban services area of Multnomah County to ensure compliance with the state's structural, mechanical, electrical, and plumbing codes, as well as the City's planning and zoning codes. Also reviews and approves the monitoring of certain critical structural materials requiring the attention of professionals with highly specialized skills and qualifications, such as steel construction, concrete construction and fireproofing.	17		1,809,240		-	5,958,327				CDCM000000	58,000 inspections			84% of customers rated overall quality of inspections as "Good" or "Very Good"	3	5
Code Compliance / Dangerous Buildings / Fire Damage	Ross Caron	(503) 823-4268	http://www.portlandonline.com/bds/	Enforces construction codes by responding to constituent complaints, investigating potential violations and working to resolve compliance issues. Enforces the City's Dangerous Building regulations. Also inspects Zoning and Accessory Home Occupation permits.	2		194,817		-	310,680				CDCS000000	25 Dangerous Building inspections			N/A	6	4
Environmental Soils	Ross Caron	(503) 823-4268	http://www.portlandonline.com/bds/	Performs plan review, permitting, and inspection services for work related to environmental soils & sanitation control such as cesspools, septic tanks and other sewage disposal systems. Also responsible for Multnomah County's subsurface sewage program.	2		136,401		-	202,898				CDS000000	250 on-site sewage evaluations completed			N/A	8	12
Facilities Permits	Jim Nicks	(503) 823-1054	http://www.portlandonline.com/bds/	Offers streamlined plan review, process management, permitting, and inspection services for customers with ongoing interior tenant improvements where facility maintenance, upgrade and renovations are frequent.	13		1,467,995		-	2,186,686				CDCM000000	95 billable hours per inspector per month			N/A	11	11
Land Use Services	Rebecca Esau	(503) 823-6966	http://www.portlandonline.com/bds/	Implements goals and policies of the City's Comprehensive Plan, including neighborhood and community plans, by administering the City Zoning Code (Title 33). Includes review of development proposals for compliance with the Zoning Code; provision of public information regarding zoning regulations; discretionary review of development proposals; coordination, outreach and education functions; and Records Management.	35	3	3,756,660		2,983,181	4,486,429				CDLU000000	550 Land Use Review applications			82% of customers were "Satisfied" or "very Satisfied" with the timeliness of their land use review, taking into account the mandatory 21 to 30 days required for public comment	5	3
Neighborhood Inspections	Ross Caron	(503) 823-4268	http://www.portlandonline.com/bds/	Protects public health, safety, and welfare, prevents deterioration of existing housing, and contributes to neighborhood livability by enforcing the requirements of the Property Maintenance Code (Title 29), including housing maintenance standards, derelict building regulations, and property nuisance regulations.	17		1,800,749		2,298,124	1,275,880				CDNI000000	* 7,085 nuisance inspections * 2,785 Housing/Derelict Building inspections			N/A	9	8
Noise Control	Ross Caron	(503) 823-4268	http://www.portlandonline.com/bds/	Enforces the City's Noise Control regulations by responding to constituent complaints, investigating potential violations, and working to resolve compliance issues. Also processes Noise Variances. Part of the Compliance Services Program.	2		202,109		264,098	103,227				CDCS000000	* 233 noise violation inspections * 475 noise variances processed			N/A	13	13
Permit/Plan Processing / Trade Permits	Andy Peterson	(503) 823-7883	http://www.portlandonline.com/bds/	Performs intake and initial checks for completeness for over 5,000 building permit applications annually, assigns projects to technical reviewers, tracks the reviews, and issues permits. Reviews and issues over 30,000 plumbing, electrical, mechanical and sign permits annually, maintains historical building permit records, and assists customers with inquiries regarding permit history, land use decisions, and utility location.	17		3,106,397		-	452,968				CDDS000000	6,724 building permits issued			91% of trade permit customers rated the overall quality of their review process as "Good" or "Very Good"	2	2

1. Program Title	2. Program Manager	3. Phone	4. Website (if available)	5. Program Description	6. Program Staff		7. Operating Budget	8. Capital Budget	9. Revenues					10. Functional Area	11. Output Measure(s)	12. Capital Assets and Status	13. Major Maintenance	14. Customer Survey Data (from 2008 Customer Survey)	15. Program Rankings	
					Full-time	Part-time			General Fund	Rates/fees	External Customers	Grants	Other						Core	Community
Plan Review / Engineering	Andy Peterson	(503) 823-7883	http://www.portlandonline.com/bds/	Processes and approves building and mechanical permits for residential and commercial structures. Reviews building projects and provides general information on life safety, energy conservation, accessibility, and related building requirements. For projects that have engineering components, reviews structural and mechanical plans to determine compliance with engineering requirements of the Oregon Structural and Mechanical Specialty Code.	20		2,334,376			4,271,680				CDPR000000	*4,150 plans reviewed (Engineering) *6,775 plans reviewed (Fire Life Safety)			73% of customers rated the predictability of the permit review process as "Good" or "Very Good"	1	1
Process Management	Andy Peterson	(503) 823-7883	http://www.portlandonline.com/bds/	Guides customers with large and complex projects through the standard permitting process. Provides higher-level assistance through the Major Projects Group. Part of the Development Services Program.	3		327,773			100,000				CDDS000000	* 120 projects assigned to Process Managers 375 permits issued			N/A	12	6
Residential Combination Inspections	Jim Nicks	(503) 823-1054	http://www.portlandonline.com/bds/	Performs state-mandated inspections on one and two family residential construction projects in Portland and the urban services area of Multnomah County to ensure compliance with the state's structural, mechanical, electrical, and plumbing codes, as well as the City's planning and zoning codes. Inspectors obtain State certification in all four specialties, allowing more inspections with fewer staff.	26		2,822,081			4,499,813				CDCB000000	86,500 inspections			95% of customers were "Satisfied" or "Very Satisfied" with the amount of time it took to get their inspections	4	7
Signs	Ross Caron	(503) 823-4268	http://www.portlandonline.com/bds/	Performs inspections on signs in Portland and the urban services area of Multnomah County to ensure compliance with the City's sign code. Part of the Commercial Inspections Program.	1		140,675			343,203				CDCM000000	650 inspections			N/A	14	14
Site Development	Ross Caron	(503) 823-4268	http://www.portlandonline.com/bds/	Performs plan review for geo-technical, flood plain, grading, private street, and site preparation issues, as well as onsite stormwater treatment/disposal and erosion control requirements on private property. Reviews all applicable land use cases, identifying any land suitability issues and conditions. Performs all related inspections, including those required by the Stormwater Manual, Trees and Landscaping requirements for Titles 10 and 33, and all required erosion control measures.	7		866,243			1,057,875				CDS0000000	* 360 inspections * 550 plans reviewed			N/A	7	9
Zoning Compliance	Ross Caron	(503) 823-4268	http://www.portlandonline.com/bds/	Performs the zoning compliance function in Compliance Services Program.	3		300,289			723,469				CDLU000000	4,070 zoning code enforcement activities (cases, inspections, & letters)			N/A	10	10
Total					165	3	19,265,805	-	5,545,403	25,973,135	-	-	-							

Including Admin

193

31,928,847

31,518,538

Customer Service Advisory Committee

The Customer Service Advisory Committee was created in September 2006 to assist all City bureaus in working collaboratively with their employees to improve customer service. Building a culture of customer service will ensure that the City government is seen, both internally and externally, as a reliable partner and steward in running the City.

In 2005 the Bureau Innovation Project #7 was charged with developing recommendations for improving customer service policies and procedures across all City bureaus. In adopting the BIP #7 recommendations, the City Council endorsed an ongoing process of customer service improvement, beginning with clearly defining a culture of customer service, then ensuring employees have the tools to meet those expectations, then surveying customers to assess the effectiveness of improvement efforts.

The Customer Service Advisory Committee (CSAC) has prepared guidance and collected examples in the three priority areas of **defining the culture of customer service, workforce development, and customer service surveying**. That information can be found in the Customer Service Toolkit page of the CSAC webpage:

<http://www.portlandonline.com/index.cfm?c=44197>

During the FY 2007-2008 budget process, the Mayor asked all bureaus to report on implementation of the BIP #7 recommendations. Each year going forward, the CSAC is requesting a status report on customer service efforts in the three priority areas. The intent is to gather information from bureaus on their activities during the current program year, for an annual report to Council. The status report template is attached.

The CSAC intends to be an ongoing resource to assist bureaus in customer service improvement efforts. Bureaus should feel free to contact any member of their committee site team for assistance. A current list of site team members can be found at

<http://www.portlandonline.com/index.cfm?c=44198>

Questions? Please contact Committee Chair John Dutt, Office of Neighborhood Involvement at (503) 865-2625

Customer Service Improvement Status Report (FY 2009-10)

Bureau: Bureau of Development Services
Staff Contact: Mark Feters, Sr. Management Analyst
Phone: (503) 823-1028
Date: February 1, 2010

Bureau Mission and Goals: Please attach copies of your bureau's mission, goals, and any workplans or other policy documents that specifically address customer service improvement efforts. Please describe how your strategic plans include customer service, and any plans for improvement.

Customer Service Culture

Over the last several years BDS has successfully integrated a customer service ethic into the fabric of the organization. The bureau's mission requires being responsive to the development community, neighborhoods and citizens. BDS's vision is to be the best development services agency in the country by deploying development review systems that meet the time-sensitive needs of the development industry and by satisfying neighborhood organizations' and citizens' concerns about the quality of development and the need for access to information.

Service to customers and stakeholders is reflected in several of the bureau's key planning documents, including the Mission, Goals, and Values; Management Principles and Expectations; Strategic Plan Framework; Customer Service Solutions; Diversity Committee Charter; and the BDS Employee Handbook. Copies of these documents are attached, including chapter three of the Employee Handbook (Customer Service and Communication with the Public).

The bureau remains committed to these goals as it copes with the serious financial challenges facing the development industry and the overall economy. BDS reduced its staff by one-half in 2009 due to declining permit revenues, and the bureau is struggling to meet a workload increasingly dominated by smaller projects that generate less revenue. BDS continues to communicate with customers and stakeholders regarding their needs and the bureau's ability to provide services while experiencing financial and staffing constraints. Bureau staff are dedicated to working collaboratively with customers to problem-solve and reach solutions.

Strategic Plan

In 2008 BDS launched a strategic planning process that identifies customer experience as one of its key areas of focus (see attached Strategic Plan Framework). The planning process has involved staff from all levels of the bureau as well as customers, stakeholders, and industry partners to ensure that their needs and interests are clearly understood and addressed. The implementation of the Strategic Plan was suspended in 2009 due to the severe budget and staffing reductions, but the bureau intends to revisit the Strategic Plan in 2010 and produce a plan that will reflect current realities and guide the bureau as it moves forward.

Diversity Development

The bureau's Diversity Committee's mission is "to cultivate the development of a diverse, culturally competent workforce and to create an inclusive workplace culture through strategic initiative planning and implementation." This mission is realized through outreach and education work with BDS employees regarding diversity issues and cultural competency, resulting in better service for the diverse community of Portland. Past efforts have been recognized through diversity awards received by the bureau and BDS staff, including:

- 2007 City of Portland Diversity Award (BDS)
- 2008 City of Portland Individual Contributor Award (Mikal Shabazz)
- 2008 City of Portland Bureau Diversity Committee Award (BDS)

Diversity development has been curtailed somewhat due to budget cuts, but the BDS Diversity Committee is still active and recently hosted a "Doughnuts for Diversity" event for employees (see description under "Workforce Development" below).

Consolidation of Enforcement Hotlines

On May 1, 2009 the Site Services Division merged the bureau's five separate enforcement hotlines serving Compliance Services, Neighborhood Inspections, Noise, Erosion Control and Site Development into a single contact number in an effort to streamline enforcement and improve service for customers.

Customers and citizens can call the new enforcement hotline at 503-823-CODE (2633) to report any of the following types of complaints:

- Construction codes (work without permit)
- Zoning code
- Dangerous buildings
- Noise control
- Nuisance issues on property and adjacent rights-of-way
- Housing maintenance concerns (including illegal occupancies)
- Non-residential structures exterior maintenance concerns
- Derelict buildings
- Disabled vehicles on private property
- Erosion control issues
- Site issues (grading, filling, clearing, drainage and septic systems)

Customer Service Assessment: Please attach a copy of your most recent customer service survey and survey results. Please indicate how your bureau assesses timeliness, accuracy, helpfulness, expertise, and available information. If you do not currently survey bureau customers, please explain any future plans.

BDS conducted annual customer telephone surveys from 2002–2008 using contracts with outside vendors. Each year approximately 675 customers were surveyed regarding BDS land use review, plan review and permit issuance, and inspection services. The survey measured customer satisfaction with the timeliness and quality of bureau services, the adequacy and quality of information provided, and the knowledge, helpfulness, fairness, & availability of BDS staff and development review staff from other bureaus. BDS has used survey results and analysis over the years to guide decisions regarding services, programs, staff training, and budget expenditures.

BDS did not conduct a customer survey in 2009 due to budget cuts, but is including funding for a 2010 survey in its FY 2010-11 budget request. A summary analysis of the 2008 survey results is attached; the full 2008 survey report is available from Mark Fetters, BDS Sr. Management Analyst, at 503-823-1028 or mark.fetters@ci.portland.or.us.

Workforce Development: Please describe any efforts you have made to develop customer service competency within your workforce in the areas of recruitment, training, and evaluation. Please share any details you can provide regarding progress in these areas over the past year (training program information, key bureau contacts, recruitment/evaluation material examples, etc.).

Most of the bureau's specific efforts to develop customer service competency in the workforce have focused on recruitment and training. Due to economic conditions, BDS does not anticipate conducting many recruitments in the near future, and the budget for staff training is limited.

Recruitment

Prior to staff reductions, the bureau's Outreach Committee developed a recruitment plan for each open position in order to better reach underserved populations with employment information. Recruitment plans include methods for reaching diverse populations, such as advertising in ethnic publications or using personal contacts with underserved communities to disseminate recruitment information.

BDS interview panels are provided with guidelines for interviewing and communicating with people from diverse backgrounds. Interview panels are encouraged to include an interview question related to customer service, and this is done in most interviews. Much of the bureau's work involves providing direct services to customers, both over the phone and in person. Because of BDS's commitment to providing outstanding customer service, the bureau places emphasis on candidates with customer service experience, communication and problem-solving skills, and cultural competency.

Training

- Customer Service Training – In 2003 BDS worked with a consultant to develop and deliver tailored customer service training to all employees, with additional training for supervisors and managers. The training covers internal as well as external customer service, and focuses on the unique customer service challenges in code enforcement work. The attached "Customer Service Solutions" document is a product of the training. All new employees go through this training after hire. A training binder is available upon request.
- Doughnuts for Diversity – Since early 2007 the bureau has hosted a series of speakers on a variety of diversity topics as part of the bureau's Diversity Development Program. The meetings are open to all bureau employees and have been well-attended and received. These meetings have facilitated ongoing conversations amongst staff regarding diversity issues and are a key part of the bureau's effort to improve customer service through increasing employees' cultural competency.

Bureau Baseline Template

Revised March 31, 2010

1

Overview: Bureau of Development Services

Commissioner-in-Charge: Leonard
Commissioner's Liaison: Sara Petrocine
Bureau Director: Paul L. Scarlett
Finance Manager: Elshad Hajiyev
FPD Analyst: Doug Le

Organizational Chart:
<http://www.portlandonline.com/shared/cfm/image.cfm?id=146136>

Budget Advisory Committee Roster:
<http://www.portlandonline.com/bds/index.cfm?c=51674&a=277361>

2

Guiding Statements:

Slogan: From Concept to Construction

Mission:

<http://www.portlandonline.com/bds/index.cfm?a=108968>

Vision:

<http://www.portlandonline.com/bds/index.cfm?a=108968>

Values:

<http://www.portlandonline.com/bds/index.cfm?a=108968>

About Us: The Bureau of Development Services (BDS) is an integral part of development in Portland. Bureau staff works with developers, builders, and homeowners to guide them through the development process. BDS manages programs that ensure construction and land use codes are followed, and is instrumental in enhancing the safety of buildings and the livability and economic vitality of Portland's neighborhoods.

More: <http://www.portlandonline.com/bds/>

**Bureau Baseline Template
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<p>3 – External Trends:</p> <p><u>Positive/Strengths</u></p> <ol style="list-style-type: none">1. Collocation of interagency partners completed Dec. 20092. Continued support of the DRAC, BDS's advisory body <p><u>Negative/Weaknesses</u></p> <ol style="list-style-type: none">1. Continued financial impacts of recession2. Inability of developers to secure construction loans <p>Internal Trends:</p> <p><u>Positive/Strengths</u></p> <ol style="list-style-type: none">1. Hard work and positive attitude of BDS staff2. Innovation and efficiency improvements prompted by financial need <p><u>Negative/Weaknesses</u></p> <ol style="list-style-type: none">1. Very low bureau-wide reserve balance2. Service level impacts from staff reductions	<p>4 – Titles of Three Most Recent Audits & Summary of Recommendations Implemented:</p> <ol style="list-style-type: none">1. August 2005 – Development Review Process: Bureau Commitments to Improve Timeliness and Efficiency Have Not Been Fully Accomplished http://www.portlandonline.com/auditor/index.cfm?c=37677&a=88953 - 100% of recommendations (1 of 1) in progress2. January 2003 – Development Review Process: Progress Made, Further Improvements Needed http://www.portlandonline.com/auditor/index.cfm?c=27102&a=5751 - 80% of recommendations (4 of 5) implemented; 20% in progress3. May 1997 – Development Review Process: Need to Coordinate Efforts and Clarify Policies http://www.portlandonline.com/auditor/index.cfm?c=27108&a=5682 - 80% of recommendations (4 of 5) implemented; 20% in progress <hr/> <p>5 – Trends:</p> <p>Historical Trends: BDS's workload and revenues have fallen precipitously in the last 2 years.</p> <p>Comparisons to other cities: Building departments in Portland's comparable cities (from the SEA report) are experiencing similar declines in workload and revenues.</p> <p>Major Org/Budget Changes (last 2 years):</p> <ul style="list-style-type: none">• Reduced staff by nearly ½ in 2009 due to recession• Restructured the bureau in late 2009 due to staff reductions
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**Bureau Baseline Template
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6 - Budget Summary Info:

Bureau Program Expenditures	Current Revised FY 2009-10 Budget	Requested FY 2010-11 Budget without cuts or adds	Requested FY 2010-11 cuts	Requested FY 2010-11 add packages
Operating	\$37,116,409	\$34,162,326	(\$9,897,480)	\$3,656,248
Capital	-	-	-	-
TOTAL	\$37,116,409	\$34,162,326	(\$9,897,480)	\$3,656,248
Authorized Positions	307	307	134.4	20.5

7 - Labor/Management/Administration:

1. Percent spent on administration: 27.55%
2. Total FTE: 193
3. Average management span of control: 7.5
4. List of Bargaining Units and number of bureau members:
 - COPPEA (54)
 - DCTU (68)

8 - High Level Performance Measures:

Fiscal Year 2009-10 (estimated)

1. 80% of residential permit inspections made within 24 hours of request
2. 62% of building permits issued same-day
3. 6,500 building permits issued
4. 93% of residential building plans reviewed by scheduled end date
5. 84% of commercial building plans reviewed by scheduled end date

9 - Awards/Recognitions:

1. 2009 City Safety Recognition Awards
 - BDS Safety Committee
 - Safety Champion – Jim Nicks
 - Life Saver / Good Samaritan – Paul Van Orden
2. FY 2008-09 City Incentive Program - \$5,000 award for reducing number of Workers' Comp claims by 44%

10 - Major Projects FY 2009-10:

Policy/Operational Projects (top 5)

1. Downsizing
2. Permitting Services Collocation (completion)
3. 5-Year Strategic Plan (re-start)

Capital/Infrastructure Projects (top 5)

1. Technology Initiative (citywide)

Major Maintenance Projects (top 5)

1. N/A

**Bureau Baseline Template
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<p>11 – Major Projects – Out Years</p>	<p>12 - Sustainability Goals – SOCIAL</p> <ol style="list-style-type: none"> SEA-related: Quality of housing & nuisance inspection services http://www.portlandonline.com/auditor/index.cfm?c=49566&a=274496 <ul style="list-style-type: none"> Best neighborhood: Alameda Worst neighborhood: Centennial Bureau Employee Composition: <ul style="list-style-type: none"> % of minorities: 14% % of female: 43% M/W/ESB Contracting: 33.4% (FY 2008-09) Customer survey/polling results: 78% of permit customers Satisfied or Very Satisfied with quality of the development review process (2008 survey).
<p>FY 2010-11:</p> <p>Policy/Operational Projects (top 3) 1. 5-Year Strategic Plan implementation</p> <p>Capital/Infrastructure Projects (top 3) 1. Technology Initiative (citywide)</p> <p>Major Maintenance Projects (top 3) 1. N/A</p>	<p>13 - Sustainability Goals – ECONOMIC</p> <ol style="list-style-type: none"> Efficiency improvements: BDS restructured due to staff reductions, going from 7 to 5 divisions and from 27 to 13 sections. Summary of Major Assets Managed: 80 vehicles; IT infrastructure <ul style="list-style-type: none"> % in Good condition 70% % in Fair condition 25% % in Poor condition 5% Replacement value total in dollars: \$1.8 million
<p>FY 2011-12:</p> <p>Policy/Operational Projects (top 2) 1. 5-Year Strategic Plan implementation</p> <p>Capital/Infrastructure Projects (top 2) 1. Technology Initiative (citywide)</p> <p>Major Maintenance Projects (top 2) 1. N/A</p>	<p>14 - Sustainability Goals – ENVIRONMENTAL</p> <p>Sustainability Plan: Sustainable Operations Plan http://www.portlandonline.com/bds/index.cfm?c=47286</p> <p>Latest Report: FY 2008-09 Update http://www.portlandonline.com/bds/index.cfm?c=47286&a=193000</p> <p>Summary of Highlights: BDS’s plan incorporates sustainability into the organization by focusing on office management, outreach & education, and energy use / carbon footprint. BDS also has a Green Team that actively promotes and facilitates sustainable business practices at BDS.</p>
<p>FY 2012-13:</p> <p>Policy/Operational Projects (top 1) 5-Year Strategic Plan implementation</p> <p>Capital/Infrastructure Projects (top 1) Technology Initiative (citywide)</p> <p>Major Maintenance Projects (top 1) N/A</p>	

Bureau Baseline Template Revised March 31, 2010

15 - Key Policy & Planning Documents:

Strategic Plan: BDS Strategic Plan

<http://www.portlandonline.com/bds/index.cfm?c=48486>

Portland Policy Documents (Top 3):

1. Portland Zoning Code (Title 33)
<http://www.portlandonline.com/auditor/index.cfm?c=28197>
2. Portland Comprehensive Plan
<http://www.portlandonline.com/planning/index.cfm?c=47556>
3. Green Building Policy
<http://www.portlandonline.com/auditor/index.cfm?c=34835&a=80338>

16 – List of Bureau Programs:

1. Commercial Inspections - Performs building/mechanical, electrical, and plumbing inspections on industrial, commercial, and multi-family construction projects.
2. Code Compliance / Dangerous Buildings / Fire Damage - Applies construction codes by investigating potential violations and working to resolve compliance issues; applies the City's Dangerous Building regulations.
3. Environmental Soils - Performs plan review, permitting, and inspection services for work related to environmental soils & sanitation control.
4. Facilities Permits - Streamlined plan review, permitting, and inspection services for customers with ongoing interior tenant improvements.
5. Land Use Services - Implements goals and policies of the City's Comprehensive Plan by administering City Zoning Code (Title 33).
6. Neighborhood Inspections - Applies requirements of the Property Maintenance Code (Title 29).
7. Noise Control - Applies the City's Noise Control regulations and processes noise variances.
8. Permit/Plan Processing / Trade Permits - Performs permit intake, assigns projects to technical reviewers, tracks reviews, and issues permits; reviews and issues plumbing, electrical, mechanical and sign permits, maintains historical permit records, assists customers with inquiries.
9. Plan Review / Engineering - Processes and approves building and mechanical permits for residential and commercial structures; reviews structural and mechanical plans to determine compliance with engineering requirements of the Oregon Structural and Mechanical Specialty Code.
10. Process Management - Guides customers with large and complex projects through the standard permitting process.
11. Residential Combination Inspections - Performs state-mandated inspections on one and two family residential construction projects.
12. Signs - Performs inspections on signs to ensure compliance with the City's sign code.
13. Site Development - Performs plan review and related inspections for site development issues.
14. Zoning Compliance - Performs the zoning compliance function in Compliance Services Program.



CITY OF
PORTLAND, OREGON

OFFICE OF PUBLIC SAFETY

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February 1, 2010

To: Mayor Sam Adams
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Dan Saltzman

From: Commissioner Randy Leonard

Subject: FY 2010-11 Requested Budget for the Bureau of Development Services

The year 2009 was easily one of the most challenging years in the history of the Bureau of Development Services. The ongoing economic crisis has affected all sectors of the economy, particularly the development industry, and BDS has seen dramatic impact in its revenues and workload. BDS began to take proactive steps in summer 2008 to help maintain cost recovery, safeguard the bureau's financial health, and maintain a high level of customer service.

In spite of these efforts, BDS had to use its reserve fund to meet operating costs, and was eventually compelled to lay off nearly one-half of its staff in the summer and fall of 2009 in order to remain financially viable. To continue to provide services, the bureau dipped into its reserve fund, which had a healthy balance of almost \$13.5 million in July 2008. BDS projects the reserve will recover to a relatively small positive balance by the end of FY 2009-10.

The decision packages in this budget request address the key issues facing BDS as it moves toward recovery:

- Balancing the budget – BDS laid off a large number of staff in 2009, and those positions have remained vacant. Decision Package 1 removes 131 of those vacant positions from the bureau's books, saving BDS \$9.9 million.
- Under-funding of Neighborhood Inspections and Land Use Services - Decision Package 2 addresses chronic funding shortages in the bureau's Neighborhood Inspections and Land Use Services programs by requesting \$1.3 million in ongoing General Fund support. History has shown that revenues from fees and fines are insufficient to support these programs; the great benefit they bring to the entire community warrants increased General Fund support.

- Sufficient Staffing – Because bureau revenues have dipped further than workload, BDS finds itself with insufficient staff to provide acceptable levels of service. Services throughout the bureau have been impacted, threatening to delay development at a critical economic juncture for Portland. Decision Packages 3 and 4 request funding that will allow BDS to add essential staff and provide services at a minimally acceptable level.

As in years past, BDS has received considerable input into its budget request from staff and key stakeholders. The Development Review Advisory Committee (the bureau's citizen advisory committee) and the bureau's Budget Advisory Committee (BAC) have reviewed BDS' financial status and echoed their support regarding the bureau's budget priorities. Both the BAC and an internal Bureau Budget Committee (composed of both employees and management) emphasized the importance of cost recovery for services and advocated for additional General Fund support for bureau programs that provide general community benefit.

The bureau has kept its Labor Management Committee (LMC) informed at each stage of the process. At this time, the labor portion of the committee has not been able to reach consensus on the bureau's budget proposal. But they will further review the budget proposal, and we will take note of their recommendations.

In all these efforts, the bureau's foundational goals remain the same:

- Advance its mission of promoting safety, livability and economic vitality in its application of building and development codes
- Support construction functions through fees and charges
- Meet five-year reserve fund goals to maintain financial stability and ensure service delivery
- Be responsive to customers' and the community's needs

Over the past several years, BDS has established a reputation for excellent customer service, innovation, and labor/management collaboration. I and the bureau remain committed to the goal of making Portland's Bureau of Development Services the best development agency in the country. I fully support the recommendations in this budget request because they will best help BDS achieve financial stability and reach its goals and mission.

Bureau of Development Services

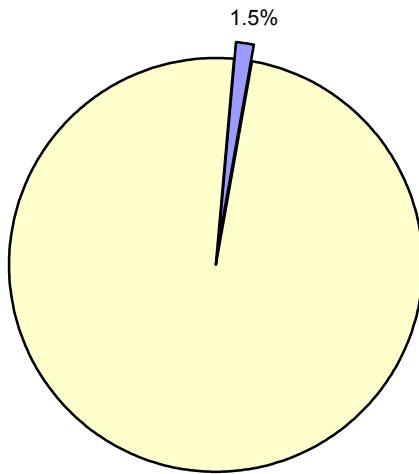
Community Development Service Area

Randy Leonard, Commissioner-in-Charge

Paul L. Scarlett, Director

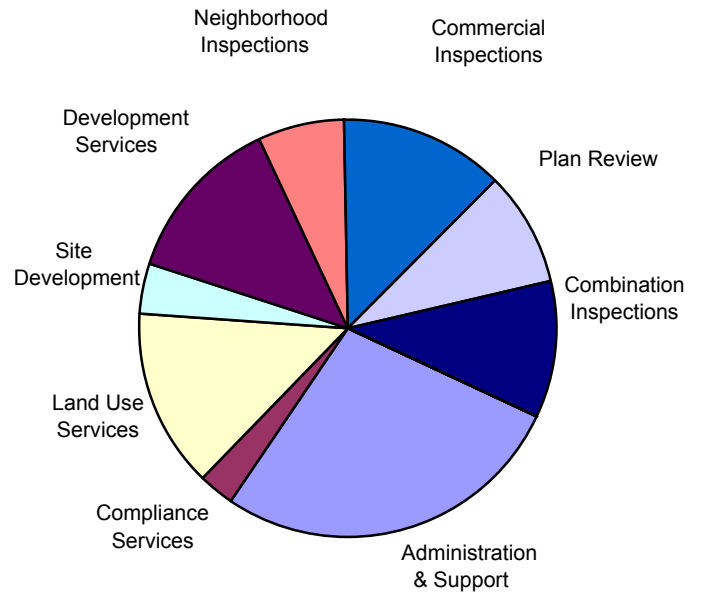
Percent of City Budget

Bureau of Development Services = \$26.6 Million



City Budget = \$1.83 Billion

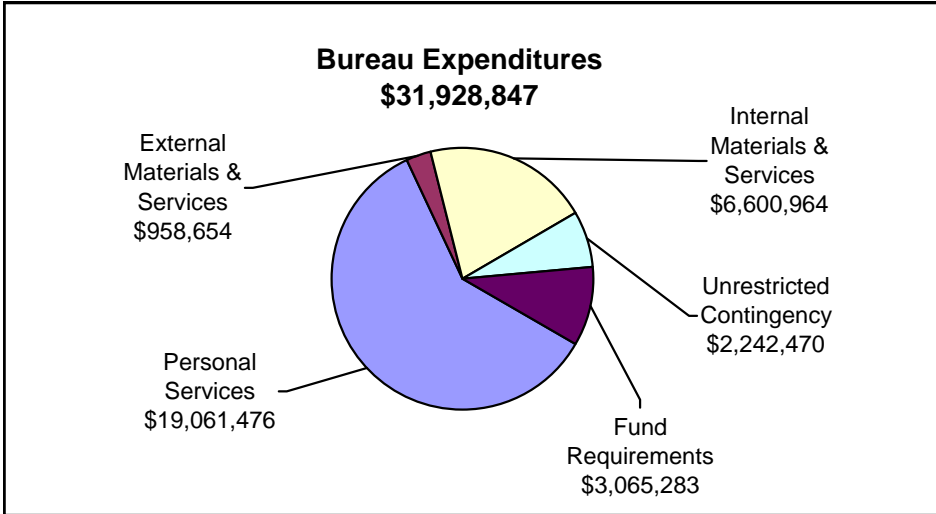
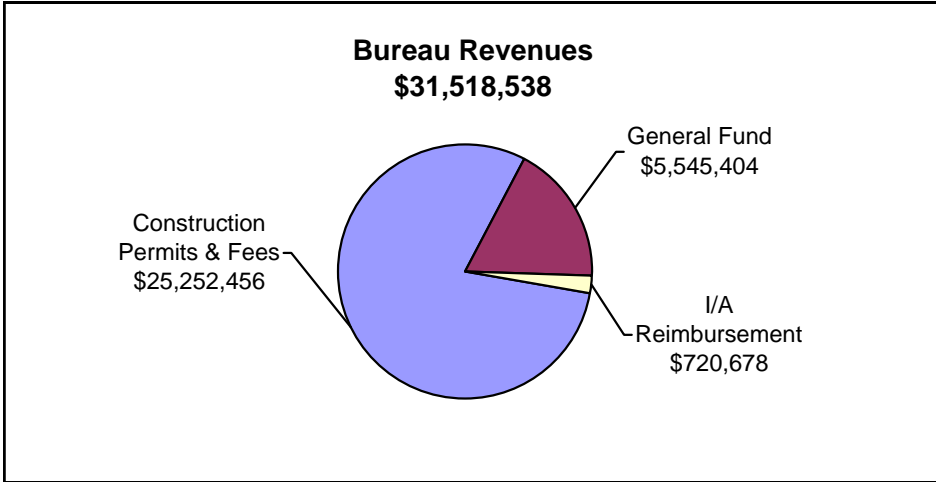
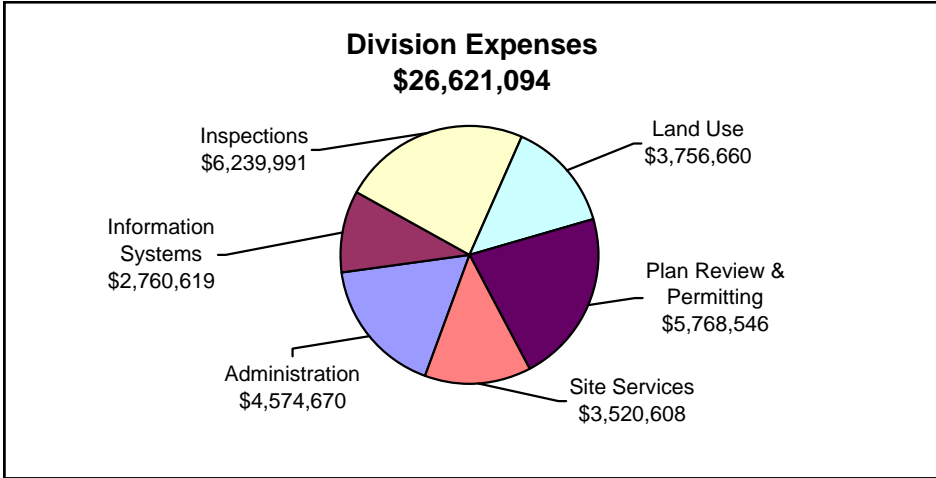
Bureau Programs



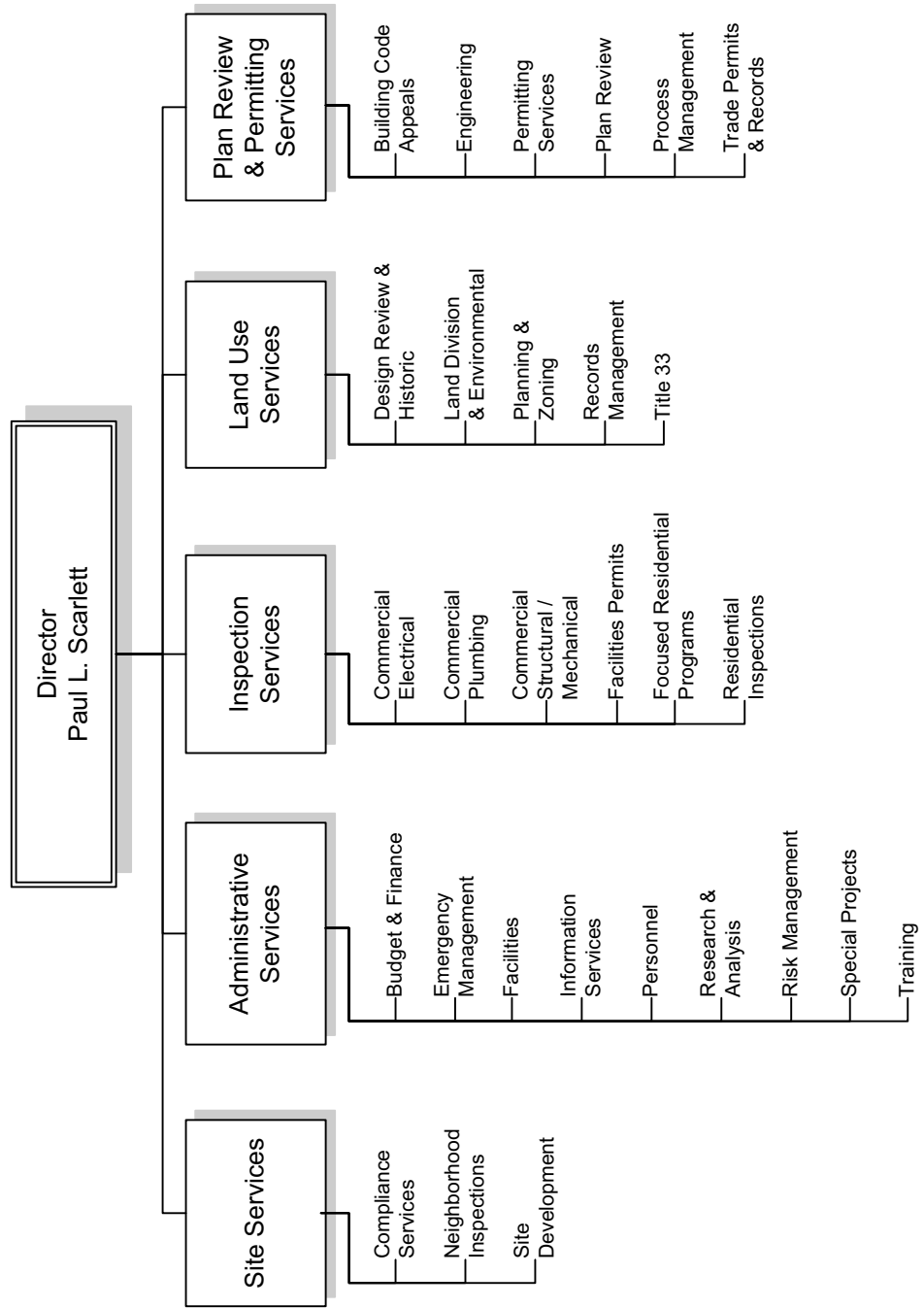
Bureau Overview

Expenditures	Revised FY 2009–10	Requested FY 2010–11	Change from Prior Year	Percent Change
Operating	37,116,409	26,621,094	-10,495,315	-28.3%
Capital	0	0	0	0.0%
Total Bureau Requirements	\$ 37,116,409	\$ 26,621,094	\$ -10,495,315	-28.3%
Authorized Positions	307	193	-114.00	-37.1%

Bureau of Development Services FY 2010-11 Budget



Bureau of Development Services



Bureau Summary

BUREAU MISSION

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

BUREAU OVERVIEW

General Description

The Bureau of Development Services (BDS) is an integral part of development in the City of Portland. Bureau staff actively works with developers, builders, and homeowners to guide them through the development process. This budget request includes 193 positions and an operating budget of \$26.6 million, and is funded primarily through permit fees and charges. The bureau manages programs that ensure construction and land use codes are followed, and is instrumental in enhancing the safety of buildings and 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. The bureau also provides permit records, answers customer inquiries about the development review process, tracks plans, and provides assistance to customers from pre-application all the way through construction. BDS is responsible for implementing the City's land use policies, plans, and codes through the review of proposed development, and ensures compliance with site-related regulations such as erosion control, grading, and onsite stormwater treatment and disposal. The bureau also enforces the zoning and property maintenance codes, as well as structural, mechanical, plumbing, and electrical code violation cases.

Customer Service Culture

The bureau's mission requires being responsive to the development community, neighborhoods and citizens. BDS's vision is to be the best development services agency in the country by deploying development review systems that meet the time-sensitive needs of the development industry and by satisfying neighborhood organizations' and citizens' concerns about the quality of development and the need for access to information.

The bureau remains committed to these goals as it copes with the serious financial challenges facing the development industry and the overall economy. BDS reduced its staff by one-half in 2009 due to declining permit revenues and workload. However, subsequent to this layoff the bureau has been struggling to meet a workload increasingly dominated by smaller projects that generate less revenue. BDS continues to communicate with customers and stakeholders regarding their needs and the bureau's ability to provide services while experiencing financial and staffing constraints. Bureau staff remains dedicated to working collaboratively with customers to problem-solve and reach solutions.

State Statutes and Administrative Rules

City enforces a variety of state and local statutes.

The City of Portland has been regulating construction since the late 1800's, with local ordinances passed by the City Council as early as 1892. Then in 1973 the State legislature passed requirements for a State Building Code mandating uniform statewide enforcement. This action required Portland to begin enforcing the State-adopted codes with State-certified personnel. In addition to the programs assumed from the State, BDS is assigned

responsibility by the City Council for administering a variety of local regulations adopted within the City Code. The most significant of these is the application and administration of the Planning and Zoning Code under Title 33 of the City Code. BDS is also responsible for Floating Structures (Title 28), Erosion Control (Title 10), Signs (Title 32), Noise Control (Title 18), and Property Maintenance (Title 29).

STRATEGIC DIRECTION

Strategic Direction **BDS Financial Status**

Since FY 1988-89, City Council has directed BDS to fully support its construction functions through fees and charges. Council also directed BDS to create a reserve fund to capture revenues from pre-paid work and serve as a countercyclical reserve when the economy was in a downturn. In 1992 the bureau developed a reserve policy which guides the use of the reserve.

Unfortunately in fall 2008, the bureau began experiencing a sharp decline in its primary source of income: fee and permit revenues. BDS began to take proactive steps to help maintain cost recovery and safeguard the bureau's financial health, while maintaining a high level of customer service. However, bureau revenue continued a precipitous fall during the winter and early spring of 2009. BDS chose to spend down financial reserves in order to keep services at previous levels until revenues picked up.

But, because of the ongoing worldwide economic crisis, the economy did not rebound as economists had anticipated and BDS revenues did not increase in the late spring and early summer of 2009. On June 12, 2009 Commissioner Randy Leonard and BDS Director Paul Scarlett announced that the bureau would be forced to layoff nearly one-half of its workforce. Approximately 150 BDS employees were laid off in three phases, on July 31, August 31, and September 30, 2009.

While bureau revenues have sharply declined, by law the bureau must perform certain development-related functions, such as building inspections, plan review, permit issuance, and land use review. Prior to the economic crisis, larger development projects subsidized smaller projects. Since the crisis unfolded, very few large development projects have been initiated. As a result, many of the services performed by BDS are now costing more to provide than the revenue they generate, and the bureau is insufficiently staffed to meet the current workload.

In addition, the downturn in construction permit revenues has highlighted the fact that several programs have been traditionally underfunded. These tend to be programs which enforce local codes, such as land use and property maintenance. This budget includes a request for both ongoing and one-time funding for these programs. In addition, since overall services have declined the bureau is specifically requesting \$2.4 million in General Fund support to add 23.5 FTE, which will allow the bureau to adequately meet existing workload and provide a reasonable level of service to its customers.

Solution-Oriented Approach

Though revenue is down and the bureau is understaffed, it remains highly committed to providing effective and efficient service to its customers. A restructuring effort is in place to explore and implement innovative and workable solutions to many of the bureau's operational struggles. In the meantime, employees and managers alike are working at the ground level to be as responsive as possible to customers' needs.

Reductions in Revenue and Staffing

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff, even though the bureau drew on its reserve to maintain service levels as much as possible. The bureau responded by thoroughly reviewing its services and service levels. Throughout the bureau, low-priority services have been eliminated and most remaining services have been significantly reduced. Some tasks have been transferred between work groups, but now the service is being provided at a much lower level. Overall, each and every division was significantly impacted by budget cuts to the point that service levels are now impacted.

Service Level Changes:

Inspections Division

- ◆ Decreased response to inspection requests; only 80% of commercial inspection requests and 70% of residential inspection will be completed within the goal of 24 hours, a significant decrease in the historical 99% figure.
- ◆ Eliminated the Get Legal Program.
- ◆ Eliminated most consultation and partial inspections.
- ◆ Requesting that contractors bundle all possible inspection requests to save trips.

Enforcement Program

- ◆ Lengthened the response time to investigate assigned cases and perform reinspections by two weeks; suspended City-initiated reinspections on Housing cases.
- ◆ Eliminated nuisance abatements, except for the most severe Fire/Life/Safety and Health/Sanitation issues.
- ◆ Suspended vehicle-related enforcement programs (Zoning and Disable Vehicles).
- ◆ Suspended Chapter 13 / Systematic Inspections Program for older three or more story apartment houses.

Land Use Services

- ◆ DSC wait times are longer for customers.
- ◆ Eliminated live phone coverage for the BDS Zoning Hotline.
- ◆ Eliminated some early assistance functions that were done for no charge.
- ◆ Eliminated much of the outreach and education that was done for no charge, except by request.

Plan Review and Permitting Services

- ◆ Reduced the operation of the Development Services Center (DSC) to 4 days per week and eliminated Thursday Permit Night.
- ◆ DSC wait times are longer for customers.
- ◆ Slowed pre-Issuance of reviewed permits to a new goal of 80% pre-issued within 2 days of last approval.
- ◆ Lengthened trade permit issuance turnaround time goal changed from 24 to 48 hours.

Site Development

- ◆ Lengthened geo-technical review turnaround timelines for residential and commercial building permits.
- ◆ Lengthened sanitation permit turnaround timelines, primarily due to the elimination of overtime.

Administrative Services

- ◆ Canceled implementation of all new TRACS automation features, such as mobile inspections and the Online Fee Calculator.
- ◆ Suspended the Trainee Program.
- ◆ Suspended most outreach activities.

Funding and Cost Recovery for Local Programs

BDS operates two distinct types of programs. State-mandated construction programs (Building, Mechanical, Electrical, Plumbing, etc.) are funded almost exclusively through permit fee revenues. Local programs (Land Use Services, Neighborhood Inspections, Environmental Soils, Signs, Noise Control, Zoning Compliance, and Site Development) implement local regulations or state and federal mandates. Local programs are funded through a combination of fees, fines and charges, and General Fund monies. BDS, its Budget Advisory Committee, and the Development Review Advisory Committee (DRAC) all believe that increased General Fund support for local programs, specifically Land Use Services and Neighborhood Inspections, is appropriate because these programs provide services that are of general benefit to the community.

Historically, many of the local programs have been underfunded and beset by deficits in their reserve funds. In addition, the Neighborhood Inspections Program lost approximately \$750,000 in General Fund support when it returned to BDS from ONI in FY 2006-07. Over the years, City Council has relied on BDS to resolve the financing issues of under-funded programs. As bureau revenues plunged in the last two years during the recession, reserves for most programs were quickly expended. The bureau is proposing fee increases for programs, such as Site Development, which are intended to be supported by fees. The bureau's financial plan brings these programs to full cost recovery and funds their reserve by the fifth year of the Financial Plan.

However, the Land Use Services, Neighborhood Inspections, and Noise Control programs all are supported by the General Fund, because they provide a bona fide public benefit. Fees do not cover all of their costs. This budget includes a request for an increase in General Fund support for the Neighborhood Inspections and Land Use Services Programs. This is the fourth straight year in which BDS has requested additional General Fund support for Neighborhood Inspections.

Over the years, the City Council has grappled with funding issues for LUS and Neighborhood Inspections. Between 1995 and 2005, the General Fund covered 35% to 50% of LUS programs costs. The philosophy was that much of the work performed by LUS benefits the public at large; these are services which do not provide a direct benefit to a particular party. Currently, the General Fund covers approximately 20% of the program's costs. Increasing that to 30% is a reasonable estimate of the proportion of LUS's services which benefit the public at large. Approving Decision Packages 2, 3, and 4 would accomplish this goal.

Funding for Neighborhood Inspections is split between General Fund, fines, and fees. The bureau estimates that approximately 50% of Neighborhood Inspections' costs benefit the public at large by maintaining and improving neighborhood livability. However, General Fund only covers approximately 20% of program costs. The bureau advocates increasing the General Fund support to 50% of program costs. Approving Decision Packages 2, 3, and 4 would accomplish this goal.

BDS is at a crossroads. Funding mechanisms for implementation and enforcement of local codes must either fundamentally change or these services will need to be dramatically reduced.

Technology Initiative

The budget and staff reductions at BDS necessitated by the current economic downturn have compelled the bureau to downsize and re-engineer some of its processes. In the course of reshaping the organization, it became clear that BDS's current levels of automation, transparency, and public access to information hinder the bureau's effectiveness and ability to be efficient with limited resources. The bureau had been proceeding with implementing an 18-month plan to improve its technology tools, however, significant cuts in the budget stalled this plan.

As a result of the restructuring work, Commissioner Randy Leonard directed the bureau to step back, identify its technology needs, and review technology tools in other building organizations of comparable size and scope to BDS. This analysis was completed in January 2010, and a recommendation has been made to Commissioner Leonard to make a major investment in technology which will significantly enhance BDS's technology tools over the next two years. BDS envisions a system that will include the following capabilities:

- ◆ Electronic access to all historic permit and land use records for customers and staff
- ◆ Online land use and permit application and plan submittal
- ◆ Electronic plan review
- ◆ Online fee payment and permit issuance
- ◆ Electronic entry of inspection results and real-time access for field staff and customers

This system will save customers and stakeholders time and money by giving them remote access to information and services, 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.

This budget does not include a request for funding this system, nor is it anticipated that funding this system will negatively impact or take away from the bureau's operations and staffing needs. Discussions of an alternative funding source are in progress.

SUMMARY OF BUDGET DECISIONS

As in past years, the creation of the bureau's budget request has involved the active participation of a variety of staff and stakeholder groups. All bureau work groups met to discuss and give input into the budget process. Budget recommendations were made by the BDS Budget Committee (BBC) comprised of employees and management. The BDS Budget Advisory Committee (BAC) met several times and has given input into the bureau's budget priorities and financial directions. For the fifth consecutive year, BDS's Labor Management Committee (LMC) has also reviewed and participated in the bureau's budget planning process. The BDS budget also has the support of the Development Review Advisory Committee (DRAC), which is composed of local representatives from the construction/development industry, neighborhoods, and the community.

Included in this budget request are 12 vacant positions from the approximately 150 positions that were cut during FY 2009-10. Maintaining these vacant positions will help the bureau quickly restaff when the economy begins to recover. These positions will not be filled unless bureau revenues for FY 2010-11 are sufficiently above projections to support rehiring staff.

DP 1 - Cut Vacant Positions

In FY 2009-10, BDS was confronted with an unprecedented decline in permit revenues and workload due to the ongoing economic downturn. After instituting a variety of cost-cutting measures, the bureau was finally compelled to reduce staff in order to remain financially solvent. This package removes 131 of those already vacant positions from the bureau, for a reduction of \$9.9 million. No additional reductions are being proposed.

DP 2 - Ongoing General Fund Support for Neighborhood Inspection and Land Use Services

The Neighborhood Inspections and Land Use Services (LUS) Programs have been underfunded and beset by deficits in their reserve funds for several years. In addition, when Neighborhood Inspections returned to BDS from ONI in FY 2006-07, it lost approximately \$750,000 in General Fund support. This package requests an increase of \$750,000 in General Fund support for Neighborhood Inspections and an additional \$550,000 in General Fund support for LUS, for a total of \$1.3 million in ongoing support. Both programs have experienced significant impacts to services as a result of BDS's budget and staffing cuts, and will have to reduce services further if this package is not approved.

DP 3 - Minimum Staffing for BDS

BDS cut approximately 150 staff in 2009 due to declining permit revenues and workload. However, a pattern has emerged in which permit revenues have fallen more dramatically than the workload. The bureau's fee structure has been to charge lower fees to smaller projects and higher fees to larger projects due to the presumption that fees are less affordable for smaller projects. This practice is not unique to Portland and is used by many other jurisdictions. However, the economy has halted nearly all construction of large development projects, thereby significantly reducing the bureau's revenues. As a result, BDS cut staff positions to balance the budget and now does not have sufficient staff to meet its current workload. Service levels throughout the bureau have fallen significantly, impacting bureau customers, development projects, and neighborhood livability. This package consists of a request for \$1.6 million in one-time funding that would support 13.5 additional FTE. This package would add essential staff to bring the bureau up to minimally acceptable service levels.

DP 4 - Adequate Staffing for BDS

This is a companion package to DP 3, and requests \$800,000 in ongoing funding that would support the addition of another 7 FTE. This package would more fully address the service level impacts being felt throughout the bureau, but there would still be delays in all services, including plan review, inspections, land use review, and code enforcement.

Administration & Support

Description The Administration Program provides overall direction to the bureau in order to meet program objectives. Included within this program's budget are the Office of the Director, communications, customer service, small business assistance, budget, emergency management, finance, human resources, training, information technology, loss control/risk management, general reception, and office management.

Goals The Administration & Support program supports the Citywide goal to protect and enhance the natural and built environment.

Changes to Services and Activities **Merger of Customer Service and Administration Programs**
With the significant reduction in bureau revenues, most of the positions in the Customer Service program were eliminated. Their functions were merged into the Administrative Services Division. The Public Information Services were absorbed by the senior manager for the Site Services Division so as to continue the bureau's goal of providing regular news and information to Portland citizens, neighborhood associations, and the media. Community outreach continues at a very minimal level with one staff person infrequently attending community events. Small business assistance has been transferred to the Plan Review & Permitting Services Division, but again at a minimal service level.

The bureau still has employee/management committees - the Labor Management Committee, Safety Committee, Diversity Committee, and Green Team. While these groups continue to be enthusiastic and motivated, they are focusing on smaller and fewer projects.

Impacts of Staff Reductions

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff from all divisions, including Administrative Services. Due to staff and budget reductions, service levels have been impacted in several ways, including:

- ◆ Canceled implementation of all new TRACS (the bureau's permit issuance/tracking system) automation features, such as mobile inspections and the Online Fee Calculator
- ◆ Suspended the Lunch and Learn Program
- ◆ Suspended the Trainee Program
- ◆ Suspended most outreach activities
- ◆ Closed the 1900 Building Welcome Center

FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			35	34	26
Expenditures					
Administration & Support			8,047,863	7,855,369	7,335,289
Total Expenditures			8,047,863	7,855,369	7,335,289

Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.

Commercial Inspections

Description

The Commercial Inspections Program performs state-mandated construction inspections 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.

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, planning, zoning, and site development codes. The Commercial Inspections Program is composed of several sections: Structural/Mechanical, Electrical, Signs, Plumbing, Special Inspections, and the Facility Permit Program.

In order to maximize resources in the face of declining revenues, the Commercial and Residential Inspections Programs were combined into one Inspections Division under a single Division Manager effective August 2009.

Goals

The Commercial Inspections program supports the Citywide goal to protect and enhance the natural and built environment. The Commercial Inspections program also works together with both the Portland Fire Bureau and County Health Division to provide a safe and healthy work and living environment.

Performance

The number of commercial inspections decreased from 96,309 in FY 2007-08 to 81,981 in FY 2008-09. It is projected that inspections will decrease to 57,000 in FY 2009-10 due to economic conditions and rise slightly to 58,000 in FY 2010-11. Commercial inspectors are currently averaging approximately 17 inspections per day, up slightly from 16.8 inspections per day in FY 2008-09. This number is projected to increase to 18 inspections per day in FY 2010-11.

The percentage of inspections made within 24 hours of request was consistently between 97% and 99% through FY 2008-09, and is projected to decrease slightly to 96% in FY 2009-10. The rate is projected to drop to 75% in FY 2010-11.

Changes to Services and Activities

Assignment of Inspections Work

Due to staffing reductions but a relatively high inspections workload, the Bureau has implemented distribution of workload across traditional section and work group boundaries. If a section has more work than its staff can complete on a given day, the work is next assigned to other staff in the Division that possess the appropriate State certifications and ability to complete such work. BDS has occasionally relied on such work assignments in the past, but is doing so more consistently now in order to maximize efficiency and productivity.

Sign Program

Staff positions which previously administered the Sign Program within the Commercial Inspections Program were eliminated during FY 2008-09. These services remain within BDS and have been transferred to Permitting Services and Site Services in order to maintain an acceptable service level within the limits of current staffing resources. Commercial Inspections retains responsibility for inspections of electrical and fixed sign permits.

Special Inspections Program

Specialized positions which administered the Special Inspections Program were eliminated during FY 2008-09. Duties formerly performed by this work group have been assumed by Plan Review, Permitting Services, and the Commercial and Residential Inspections Programs. These changes have been relatively seamless for customers while realizing greater efficiencies and providing BDS the continued ability to meet related Building Code requirements.

Impacts of Staff Reductions

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff from all divisions. Due to staff and budget reductions, service levels in Commercial Inspections have been impacted in several ways, including:

- ◆ Only 80% of inspection requests will be completed within the goal of 24 hours, a significant decrease in the historical 99% figure
- ◆ Eliminated the 2-hour time window for inspection appointments
- ◆ Eliminated most consultation and partial inspections
- ◆ Requested contractors to bundle all possible inspection requests to save trips
- ◆ Commercial Plumbing Plan Review turnaround goal being met in only 50% of cases
- ◆ Reduced hours of staff availability for walk-in customers
- ◆ Curtailed the hours of availability for support staff to assist customers
- ◆ Eliminated separate erosion control inspections and posting of erosion control hotline signs by City inspectors

FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			48	48	30
Expenditures					
Commercial Inspections			5,000,118	4,726,730	3,417,910
Total Expenditures			5,000,118	4,726,730	3,417,910

Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.

Performance	Actual FY 2007-08	Actual FY 2008-09	Yr End Est. FY 2009-10	Base FY 2010-11	Target FY 2010-11
Effective					
Number of inspections per day, per inspector	18.36	16.77	17.00	18.00	18.00
Percent of inspections made within 24 hours of request	98%	98%	96%	75%	75%
Workload					
Commercial inspections	96,309	81,981	57,000	58,000	60,000

Site Development

Description

Site Development includes plan review for geo-technical, flood plain, grading, private street, and site preparation issues, as well as onsite stormwater treatment/disposal and 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 Stormwater Management Manual, Trees and Landscaping requirements for Titles 10 and 33, and all required erosion control measures.

The Environmental Soils subprogram also 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.

Goals

The Site Development program supports the Citywide goal to protect and enhance the natural and built environment.

Performance

For the last several years the percentage of inspections made within 24 hours of request has remained consistently at 98-100%; the bureau projects that 99% of inspections will meet this goal in FY 2009-10 and FY 2010-11. The number of working days from plan submittal to issuance of the first checksheet improved from 12.7 in FY 2007-08 to 10.4 in FY 2008-09, and is projected to improve further to 10 days in FY 2009-10 and FY 2010-11. The number of site development plan reviews performed is projected to decrease from 656 in FY 2008-09 to 560 in FY 2009-10 and to fall slightly to 550 in FY 2010-11. The number of inspections is projected to decrease from 7,995 in FY 2008-09 to 1,965 in FY 2009-10, and to fall to 360 in FY 2010-11. This decrease is related to the impending transfer of stormwater inspections to the Bureau of Environmental Services.

Changes to Services and Activities

Nonconforming Shared (Party) Sewer Program

In January 2008 City Council authorized a program to replace nonconforming sanitary sewer connections with individual sanitary sewer connections in conformance with applicable plumbing codes. Nonconforming sewer connections occur when residences access public sanitary sewer via a private party-line sewer connection, or by way of private sewer lines in public rights of way, or across neighboring private properties without benefit of recorded easements.

The Non-conforming Sewer Program provides customer service, planning and financial assistance to help property owners bring nonconforming connections into compliance. Site Development has worked closely with the Bureau of Environmental Services (BES) to implement the program by providing a high level of customer service and coordination with property owners, contractors and other interested parties. However, financial conditions at BDS necessitated a transfer of BDS Non-conforming Sewer Program functions and staff (one FTE) to BES effective August 3, 2009.

Erosion Control and Landscaping Inspections

Site Development has historically performed inspections for erosion control and landscaping requirements on building and site development permits. However, the staff reductions at BDS prompted the need to maximize inspection staff resources and increase inspection efficiency. Effective October 1, 2009, erosion control and landscape inspections for residential and commercial building permits were transferred to the BDS Inspections Division. Site Development staff continue to conduct these inspections on site development permits.

Stormwater Review

Responsibility for stormwater reviews and inspections has been shared between BDS Site Development and BES staff. Both bureaus have discussed consolidation of these responsibilities into a single bureau on several past occasions as a way to reduce overlapping processes and streamline the permitting process.

In light of the staffing reductions in BDS, a proposal to consolidate the stormwater review and inspection functions in BES is under development. The bureaus intend to present the proposal to City Council in February 2010.

Impacts of Staff Reductions

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff from all divisions. Due to staff and budget reductions, service levels in Site Development have been impacted in several ways, including:

- ◆ Reduced DSC coverage hours
- ◆ Lengthened Geo-Technical review turnaround timelines for residential and commercial building permits
- ◆ Lengthened Sanitation Permit turnaround timelines, primarily due to the elimination of overtime

FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			17	16	9
Expenditures					
Site Development			1,774,189	1,585,918	1,022,644
Total Expenditures			1,774,189	1,585,918	1,022,644
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Performance	Actual FY 2007-08	Actual FY 2008-09	Yr End Est. FY 2009-10	Base FY 2010-11	Target FY 2010-11
Effective					
Average number of working days to first review	12.74	10.40	10.00	10.00	10.00
Percent of inspections made within 24 hours of request	98.3%	99.1%	99.0%	99.0%	99.0%
Workload					
Site development inspections	9,688	7,995	1,965	360	360
Site development plan reviews	1,273	656	560	550	550

Compliance Services

Description

The Compliance Services Program is composed of three code compliance work groups: Zoning, Construction, and Noise Code enforcement. These three work groups 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. Staff also enforces the City's Dangerous Building regulations and inspects Zoning and Accessory Home Occupation permits and Noise Variances.

Effective November 1, 2009, the Compliance Services and Neighborhood Inspections programs were combined into one enforcement program under a single Section Manager. This change was made in order to maintain the highest possible service level with limited resources. The newly combined Neighborhood Inspections & Compliance Services Section includes Zoning Compliance, Noise Control, Work without Permit, Dangerous Buildings, Signs & A-Boards, Nuisance, Housing, Derelict Buildings, Exterior Maintenance Requirements on non-Residential Structures, and Chapter 13/Systematic Inspections. For budgeting purposes, the Neighborhood Inspections Program is still shown as a separate program.

Goals

Compliance Services supports the Citywide goal to protect and enhance the natural and built environment.

Performance

The number of zoning, construction, and noise code violation cases is projected to remain steady with current FY 2009-10 levels at approximately 2,861 cases per year. This is a slight decrease from previous years and likely is a byproduct of reduced resources to address community concerns. The number of properties that was assessed code enforcement fees is projected to reach 205 in FY 2009-10, down slightly from the 212 properties assessed fees in FY 2008-09. This number should decrease to 200 in FY 2010-11.

While the number of new cases is expected to remain steady, the number of inspections and written letters meant to resolve complaint cases is expected to decrease by approximately 50 percent, which leads to fewer properties being brought into compliance in FY 2010-11.

Changes to Services and Activities

Impacts of Staff Reductions

Due to staff and budget reductions, several service level changes have been made, including:

- ◆ Eliminated live phone coverage for the BDS Enforcement Hotline
- ◆ Prioritized complaint types in order to effectively address the most critical issues with reduced re-sources. As of January 19, 2010, 182 cases have not been assigned due to lack of resources
- ◆ Lengthened the response time to investigate assigned cases
- ◆ Reduced reinspections and case management of active cases
- ◆ Reduced the number of violation cases referred to the Code Hearings Officer for additional enforcement remedies to gain compliance
- ◆ Suspended the Residential Fire Damage Program, operate limited Fire Damage services on a fee paid inspection basis only
- ◆ Suspended overtime for after-hour zoning and noise inspections and enforcement
- ◆ Absorbed sign complaints and A-Board registration duties for the Bureau, previously covered by another work group

- ◆ Absorbed site complaints (drainage, clearing and grading activities) for the Bureau, previously covered by another work group

FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			14	14	7
Expenditures					
Compliance Services			1,301,866	1,144,197	697,215
Total Expenditures			1,301,866	1,144,197	697,215
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Performance	Actual FY 2007-08	Actual FY 2008-09	Yr End Est. FY 2009-10	Base FY 2010-11	Target FY 2010-11
Workload					
Enforcement cases prepared and presented to code hearings officer	9	11	9	6	6
Zoning code violation statistics (cases, inspections, and letters)	6,510	6,073	5,085	4,070	4,070
Home occupation permits	136	139	135	135	135
Number of properties assessed code enforcement fees	105	212	205	200	200
Noise violation inspections	274	466	350	233	233
Noise variances processed	522	485	475	475	475
Noise code violation cases	599	720	710	700	700

Development Services

Description

The Development Services Program manages the flow of the public permitting process from early assistance for customers planning their projects to maintaining the records for completed projects. Resource/Records and Trade Permit staff reviews and issues approximately 45,000 plumbing, electrical, mechanical and sign permits each year, maintains historical building permit records, and assists customers with inquiries regarding permit history, land use decisions, and utility location. Permitting Services staff performs intake and initial checks for completeness for several thousand building permit applications annually, assigns projects to technical reviewers, tracks the reviews, and issues permits once reviews for all development bureaus have been completed. Process managers guide customers with large and complex projects through the development review and permitting process. Additional higher-level assistance for complex projects can be provided through the Major Projects Group.

In order to maximize resources in the face of declining revenues, Permitting Services and Trade Permits/Records were combined into one section under a single Section Manager in 2009. This merger allowed for more cross-training and higher utilization of existing staff.

Goals

The Development Services program supports the Citywide goal to protect and enhance the natural and built environment.

Performance

The percentage of building permits issued over-the-counter (on the same day as permit intake) has been stable at just under 60% for the last few years, and is projected to continue at that level in FY 2009-10 and FY 2010-11. Pre-issuance consists of the steps required to prepare permit documents taken in for review for issuance. During FY 2008-09 over 99% of the projects reaching pre-issuance were processed with in 2 days; for FY 2009-10 and FY 2010-11, that rate is projected to fall to 80%.

The number of building permits issued (commercial and residential combined) is projected to decrease from 8,843 in FY 2008-09 to 6,503 in FY 2009-10, and will likely rise slightly to 6,724 in FY 2010-11. The number of all other permit types issued is projected to decrease from 36,196 in FY 2008-09 to 32,940 in FY 2009-10 and to increase slightly to 33,950 in FY 2010-11.

Changes to Services and Activities

Growth of Online Permitting

Historically, BDS has issued trade permits (electrical, mechanical, plumbing) not requiring plan review within 24 hours. This time period lengthened in 2009 due to staff reductions. To facilitate a quicker turnaround for applicants, staff has worked with customers to increase the use of BDS's online permitting option. Online permitting allows applicants to submit a permit application and receive their permit immediately upon completion of payment. Inspection scheduling is available online as well. Since 2005, online permitting has grown from 2% to nearly 20% of all trade permit applications, and the bureau anticipates this trend will continue.

Online Fee Calculator

Working with other development bureaus and customers, BDS completed the specifications and prototype for an online permit fee calculator that would allow customers to receive an estimate of their permit fees, including SDC fees. The goal was to have the fee calculator operational by the fall of 2009, but due to declining revenues BDS did not have adequate funding to implement the project. The bureau is exploring other potential funding sources and hopes to be able to implement the fee calculator in FY 2010-11.

Portland Energy Efficient Home Pilot (PEEHP)

In 2009 BDS worked with the Home Builders Association of Metropolitan Portland, the National Association of Home Builders, local utility companies, and the Energy Trust of Oregon to implement the Portland Energy Efficient Home Pilot (PEEHP). PEEHP is a competitive program that awards grants to generate residential construction that will provide the industry and public with information on the building methods and materials necessary to build cost-effective, energy-efficient homes. BDS awarded the first two PEEHP grants in May 2009 and has extended the application deadline for the second round of grant awards until June 30, 2010.

Impacts of Staff Reductions

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff from all divisions. Due to staff and budget reductions, service levels in the Development Services Program have been impacted in several ways, including:

- ◆ Reduced the operation of the Development Services Center (DSC) to 4 days per week
- ◆ Eliminated Thursday Permit Night
- ◆ Lengthened DSC wait times for customers
- ◆ Lengthened Mechanical Plan review times
- ◆ Revised the goal for pre-issuance of reviewed permits downward to 80% pre-issued within 2 days of last approval
- ◆ Lengthened Trade Permit issuance turnaround time goal from 24 to 48 hours
- ◆ Eliminated much of the customer support programs that were done for no charge
- ◆ Eliminated the support of sustainability-related initiatives, early assistance, and code team
- ◆ Eliminated work on BDS Code Guides and Program Guides (permit streamlining efforts)
- ◆ Curtailed process management of small- and medium-sized projects
- ◆ Severely limited unfunded assistance to the City's Small Business Advisory Committee, Portland Public Schools, the Get Legal Program, and outreach programs

FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			33	33	20
Expenditures					
Development Services			3,483,406	4,174,492	3,423,874
Total Expenditures			3,483,406	4,174,492	3,423,874
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Performance	Actual FY 2007-08	Actual FY 2008-09	Yr End Est. FY 2009-10	Base FY 2010-11	Target FY 2010-11
Efficiency					
Percent of building permits issued over the counter the same day as intake	57%	57%	62%	62%	62%
Pre-issuance checks completed within two working days of last review approval	79.0%	99.6%	89.0%	80.0%	85.0%
Workload					
Building permits - commercial	3,917	3,806	2,678	2,771	2,771
Building permits - residential	6,704	5,037	3,825	3,953	3,953
Total building permits (commercial and residential)	10,621	8,843	6,503	6,724	6,724
Electrical permits	18,178	15,225	13,500	14,000	14,000
Mechanical permits	11,318	9,936	9,800	10,100	10,000
Plumbing permits	12,041	10,065	8,800	9,000	9,100
Sign permits	993	970	840	850	850

Combination Inspections

Description

The Combination Inspections Program 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 time and money in scheduling inspections and allows the City to perform more inspections with fewer staff.

Despite the training required for inspectors to obtain multiple certifications, studies indicate that cost savings have been realized, and other jurisdictions have recognized the quality of Portland's training program and are using it as a model. Currently, over 90% of the programs inspectors are fully certified in all four specialties.

In order to maximize resources in the face of declining revenues, the Commercial and Residential Inspections Programs were combined into one Inspections Division under a single Division Manager, effective August 2009. In addition, Combination Inspections is now managed by one Section Manager (there had been two Section Managers for many years previously).

Goals

Combination Inspections supports the Citywide goal to protect and enhance the natural and built environment. The program supports BDS goals to process all bureau functions efficiently, support the continued professional growth of the workforce, and support the vitality and safety of the community through the application of codes and regulations.

Performance

Historically, the percentage of inspections made within 24 hours of request has been from 96-99%; for FY 2009-10 and FY 2010-11, that percentage is projected to fall to 80%. This decrease is due to staffing reductions, declining revenues, and a workload that has not decreased proportionally. Inspections workload is down only 17% in the first half of FY 2009-10 while staffing reductions of approximately 50% have been necessary because of bureau revenue shortfalls. It is projected that 85,000 inspections will be performed in FY 2009-10 and FY 2010-11, down from 96,645 inspections in FY 2008-09. The average number of inspections that each inspector makes per day is projected to reach 20 in FY 2009-10, up from 19.4 in FY 2008-09. The number is projected to increase to 22 inspections per day in FY 2010-11.

Changes to Services and Activities

Erosion Control Inspections

Erosion control inspections have historically been performed by the Site Services Program. As a result of staff reductions in Site Services, responsibility for these inspections was transferred to Combination Inspections in October 2009. While no additional resources have been made available to perform this work, Combination Inspections offers greater efficiency through the ability to perform these inspections while onsite for other called inspections, thereby reducing the number of overall site visits.

Field Issuance Remodel (FIR) Program

The Field Issuance Remodel (FIR) program provides one stop services for one and two family remodeling contractors. FIR inspectors perform both the inspection and the plan review for contractors who are registered in this program. FIR has received great support from industry stakeholders and has grown from 89 registered contractors in 2009 to 125 registered contractors in 2010.

Get Legal Program

The Get Legal Program was conceived to help residential and commercial property owners who need specialized assistance to legalize complex work done at their property without permits. In 2007, Get Legal expanded to incorporate the reactivation of cancelled or expired permits, including providing inspections necessary to complete the original scope of work. The Get Legal Program was suspended effective July 2009 as a result of budget reductions and the need to prioritize resources. Existing cases are being processed to completion. New cases that previously would have qualified for the program are being processed through the regular permitting and inspections programs.

Impacts of Staff Reductions

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff from all divisions. Due to staff and budget reductions, service levels in Residential Inspections have been impacted in several ways, including:

- ◆ Only 70% of inspection requests will be completed within the goal of 24 hours, a significant decrease in the historical 99% figure
- ◆ Eliminated the Get Legal Program
- ◆ Eliminated the 2-hour time window for inspection appointments
- ◆ Eliminated most consultation and partial inspections
- ◆ Requesting bundling of all possible inspection requests to save trips
- ◆ Reduced hours of staff availability for walk-in customers
- ◆ Curtailed the hours of availability for support staff to assist customers
- ◆ Eliminated separate erosion control inspections and posting of erosion control hotline signs by City inspectors

FTE & Financials	Actual FY 2007–08	Actual FY 2008–09	Revised FY 2009–10	Req No DP FY 2010–11	Requested FY 2010–11
FTE			37	37	26
Expenditures					
Combination Inspections			4,094,175	3,614,396	2,822,081
Total Expenditures			4,094,175	3,614,396	2,822,081
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Performance	Actual FY 2007–08	Actual FY 2008–09	Yr End Est. FY 2009–10	Base FY 2010–11	Target FY 2010–11
Effective					
Number of inspections per day, per inspector	21.65	19.38	20.00	22.00	22.00
Percent of inspections made within 24 hours of request	99.0%	99.7%	80.0%	80.0%	80.0%
Efficiency					
Number of inspection trips reduced due to multi-certified inspectors	23,067	18,649	20,000	20,000	20,000
Workload					
Residential inspections	113,607	94,645	85,000	86,500	88,800

Land Use Services

Description

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 is divided into five functional areas: review of development proposals for compliance with the Zoning Code (as part of the building permit process); provision of public information regarding zoning regulations; discretionary review of development proposals (the land use review process); coordination, outreach and education functions; and Records Management, which provides support for legally-mandated record keeping and public notices related to land use reviews.

Goals

LUS supports the Citywide goal to protect and enhance the natural and built environment.

Performance

The number of land use reviews and final plats is projected to decrease from 755 in FY 2008-09 to 526 in FY 2009-10, but then rebound slightly to 550 in FY 2010-11. The number of zoning plan checks is projected to increase slightly from 3,784 in FY 2008-09 to 3,800 in FY 2009-10 and to 3,900 in FY 2010-11.

Changes to Services and Activities**Consolidation of Sections**

As part of the bureau's restructuring, LUS was reduced from seven to three sections, with functions being consolidated under fewer supervisors. LUS has scaled back outreach and education functions but is still committed to providing excellent customer service. The majority of the division's remaining functions are mandated and so cannot be discontinued.

Zoning Inspections Program

In 2009 LUS developed a program to use planners to inspect construction projects for zoning requirements. However, due to staffing reductions the program is on hold until the economy recovers and sufficient staff can be hired to implement the program.

Involvement with Bureau of Planning and Sustainability (BPS) Zoning Code Amendment Projects

LUS staff continues to be involved in Bureau of Planning and Sustainability (BPS) zoning code amendment proposals, including public information, plan review for permit applications, land use reviews, inspections and enforcement. The bureau remains concerned about City Council adopting any new regulations and the associated cost of administering new regulations at this time. Any change or addition of requirements results in additional cost impacts to BDS. Land Use Services staff is closely monitoring the many projects currently underway at BPS.

Impacts of Staff Reductions

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff from all divisions. Due to staff and budget reductions, service levels in LUS have been impacted in several ways, including:

- ◆ Reduced the operation of the Development Services Center (DSC) to 4 days per week
- ◆ Eliminated Thursday Permit Night
- ◆ Lengthened DSC wait times for customers
- ◆ Eliminated live phone coverage for the BDS Zoning Hotline
- ◆ Eliminated some early assistance functions that were done for no charge
- ◆ Eliminated much of the outreach and education that was done for no charge, except by request

FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			74	73	38
Expenditures					
Land Use Services			7,159,408	6,236,700	3,756,660
Total Expenditures			7,159,408	6,236,700	3,756,660
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Performance	Actual FY 2007-08	Actual FY 2008-09	Yr End Est. FY 2009-10	Base FY 2010-11	Target FY 2010-11
Workload					
Land Use Review Applications	1,242	755	526	550	550
Zoning plan check applications	4,934	3,784	3,800	3,900	3,900

Neighborhood Inspections

Description	<p>The Neighborhood Inspections Program protects the health, safety, and welfare of Portland residents, prevents deterioration of existing housing, and contributes to neighborhood livability by enforcing minimum standards for residential structures, exterior maintenance requirements on non-residential properties, outdoor areas, and adjacent rights-of-way. This is accomplished by enforcing the requirements of the Property Maintenance Code (Title 29), including housing maintenance standards, derelict building regulations, and property nuisance regulations.</p> <p>Effective November 1, 2009, the Compliance Services and Neighborhood Inspections programs were combined into one enforcement program. This change was made in order to maintain the highest possible service level with limited resources. The newly combined Neighborhood Inspections & Compliance Services Section includes Zoning Compliance, Noise Control, Work without Permit, Dangerous Buildings, Signs & A-Boards, Nuisance, Housing, Derelict Buildings, Exterior Maintenance Requirements on non-Residential Structures, and Chapter 13/Systematic Inspections. For budgeting purposes, Neighborhood Inspections is still shown as a separate program.</p>
Goals	<p>The Neighborhood Inspections program supports the Citywide goals to protect and enhance the natural and built environment and to maintain and improve neighborhood livability.</p>
Performance	<p>The number of housing cases is projected to remain steady with current FY 2009-10 levels at approximately 1,273 cases per year. The number of nuisance and disabled vehicle cases is expected to decrease by approximately 39% in FY 2010-11 unless abatement funding is restored.</p> <p>The decrease in nuisance cases from previous fiscal year totals is a byproduct of reduced resources to address community concerns. Previous economic downturns have produced "counter cyclical" workload trends, where the workload has increased during past economic downturns. However, this effect has been offset due to service level changes where complaints are prioritized based on reduced resources and not all complaints are inspected. As the enforcement program is complaint driven, a "discouraged reporting" effect, due to the suspension of most nuisance abatements, is present that accounts for a decrease from previous years. The number of housing cases should remain steady due to delayed or deferred maintenance of properties during an economic downturn.</p> <p>While the number of new housing cases is expected to remain steady, the number of inspections meant to resolve complaint cases is expected to decrease by approximately 37 percent, which leads to fewer properties being brought into compliance in FY 2010-11.</p>
Changes to Services and Activities	<p>Impacts of Staff Reductions</p> <p>Due to staff and budget reductions, several service level changes have been made, including:</p> <ul style="list-style-type: none"> ◆ Eliminated live phone coverage for the BDS Enforcement Hotline ◆ Prioritized complaint types in order to effectively address the most critical issues with reduced re-sources ◆ Lengthened the response time to investigate assigned cases and reduced reinspections and case management of active cases ◆ Reduced the number of violation cases referred to the Code Hearings Officer for additional enforcement remedies to gain compliance

- ◆ Eliminated nuisance abatements, except for the most severe Fire/Life/Safety and Health/Sanitation issues
- ◆ Suspended the Chapter 13/Systematic Inspection Program for older three-story and higher apartment houses
- ◆ Suspended the Disabled Vehicle enforcement program

Implementation of Quality Rental Housing Workgroup Recommendations

In September 2007 the Bureau of Housing and Community Development (BHCD) convened the Quality Rental Housing Workgroup (QRHW) to explore the issues of substandard housing, housing habitability, and environmental hazards in rental housing in Portland. In FY 2009-10 Neighborhood Inspections implemented a limited pilot program recommended by the QRHW for enhanced rental inspections. This is currently taking place in Outer Southeast Portland. The City and the QRHW are still discussing and exploring many of the group's recommendations and other enforcement and revenue-generating ideas and processes.

FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			19	19	17
Expenditures					
Neighborhood Inspections			2,349,761	1,585,852	1,800,749
Total Expenditures			2,349,761	1,585,852	1,800,749
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Performance	Actual FY 2007-08	Actual FY 2008-09	Yr End Est. FY 2009-10	Base FY 2010-11	Target FY 2010-11
Effective					
Number of housing units brought up to code as a result of Neighborhood Inspection Division efforts	2,226	1,940	1,450	970	970
Number of properties cleaned up	6,933	7,067	6,080	3,535	3,535
Code Enforcement fee waivers granted	327	103	78	52	52
Workload					
Nuisance inspections	15,178	14,165	10,625	7,085	7,085
Housing/derelict buildings inspections	5,097	5,561	4,875	2,785	2,785
Housing intakes	1,481	1,273	1,325	1,325	1,325
Nuisance intakes	6,958	7,035	6,155	5,450	5,450
Code Enforcement fee waiver requests	335	114	95	57	57
Number of Housing Units Inspected	6,008	6,087	5,325	3,045	3,045

Plan Review

Description

Plan Review 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. They help permit applicants understand building codes and the review process in order to successfully obtain permits for their projects.

Staff in the Structural Engineering 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.

In order to maximize resources in the face of declining revenues, the Plan Review and Structural Engineering Sections were combined into one section under a single Section Manager in 2009.

Goals

The Plan Review Program supports the Citywide goal to protect and enhance the natural and built environment.

Performance

Building plan review is performed by staff from BDS and as many as five other City bureaus. The bureau projects that in FY 2009-10, the City will meet its plan review turnaround goals for 85% of residential plans and 75% of commercial plans, dipping slightly from levels reached in FY 2008-09 due to the impacts of declining staff levels within all bureaus. For FY 2010-11, BDS projects that the rate will hold at or near 85% residential permits and 75% for commercial permits if some staff can be recalled during seasonal increases in plan submissions.

Changes to Services and Activities

Impacts of Staff Reductions

Plan review service levels have been impacted by the significant staff reductions that took place in 2009. The bureau has had to suspend some innovative programs and services that have enhanced customer assistance while an equilibrium between monthly revenues and expenses is established. Thursday evening Residential Permit night has been cut, as have the days and hours of Development Services Center (DSC) operations. Assistance to several special programs (Get Legal; Small Business Advisory Committee; liaisons to schools, bureaus, and advocacy groups; fee waivers) was pared substantially due to reduced staff and a lack of available funding. There have also been changes to the Residential Fire Damage Inspection program, customer wait times in the DSC have increased, and service for walk-in customers for plumbing review has been curtailed.

Development Services Collocation and Public Works Permitting Reform

On April 16, 2009 City Council passed a resolution directing that development review functions and staff from the development bureaus be collocated with BDS at the 1900 SW 4th Ave. Building. The resolution also directed that specific improvements be made to public works development review and permitting, appeals, and fee schedules. Further, staff was directed to standardize elements of the various System Development Charge (SDC) programs, including low income waivers, SDC deferrals, and SDC financing.

Since the resolution was passed, a team composed of staff from BDS and other bureaus involved in development review, along with members of the Development Review Advisory Committee (DRAC), neighborhood interests, and the Planning Commission has worked to implement the various elements of the resolution. Development review staff from other bureaus were moved to the 1900 Building in December 2009. Implementation of the new Public Works Permit Review process and fees were rolled out in January 2010, Public Works Appeals will be effective February 2010, and SDC changes will be in place as of July 1, 2010. A progress report will be provided by the BDS Director to City Council in July 2010, with a follow up report in July 2011.

Impacts of Staff Reductions

Bureau-wide reductions in revenue precipitated considerable reductions in BDS staff from all divisions. Due to staff and budget reductions, service levels in Plan Review have been impacted in several ways, including:

- ◆ Reduced the operation of the Development Services Center (DSC) to 4 days per week
- ◆ Eliminated Thursday Permit Night
- ◆ Lengthened DSC wait times for customers
- ◆ Lengthened Mechanical plan review times
- ◆ Revised Pre-Issuance of reviewed permits goal to 80% pre-issued within 2 days of last approval
- ◆ Lengthened Trade Permit issuance turnaround time from 24 to 48 hours
- ◆ Eliminated much of the customer support programs that were done for no charge
- ◆ Eliminated the support of sustainability-related initiatives, early assistance, and code team
- ◆ Eliminated work on BDS Code Guides and Program Guides (permit streamlining efforts)
- ◆ Curtailed process management of small- and medium-sized projects
- ◆ Severely limited unfunded assistance to the City's Small Business Advisory Committee, Portland Public Schools, the Get Legal Program, and outreach programs

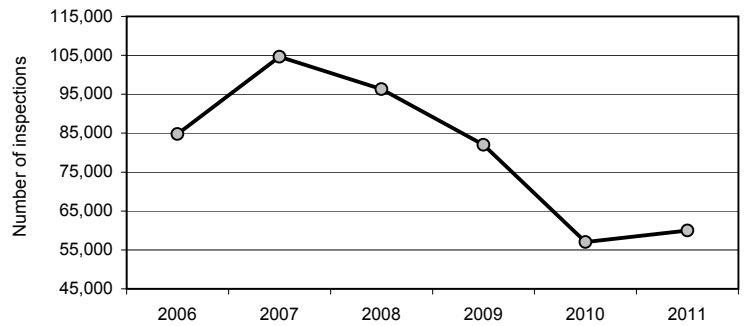
FTE & Financials	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
FTE			30	31	20
Expenditures					
Plan Review			3,905,623	3,238,672	2,344,672
Total Expenditures			3,905,623	3,238,672	2,344,672
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Performance	Actual FY 2007-08	Actual FY 2008-09	Yr End Est. FY 2009-10	Base FY 2010-11	Target FY 2010-11
Effective					
Percent of residential plans reviewed by all bureaus within scheduled end dates	90%	93%	93%	85%	85%
Percent of commercial plans reviewed by all bureaus within scheduled end dates	73%	86%	84%	75%	75%

Performance Measures

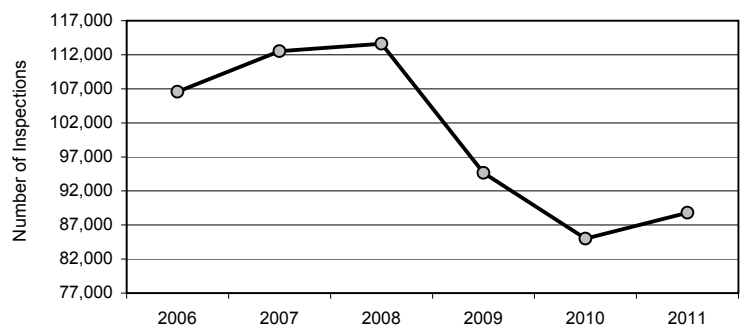
Commercial Inspections

Commercial inspections decreased in FY 2004-05 due to a correction in the way inspections are counted. The number of commercial inspections is expected to continue to decrease in FY 2009-10, reflecting a downturn in local construction activity.



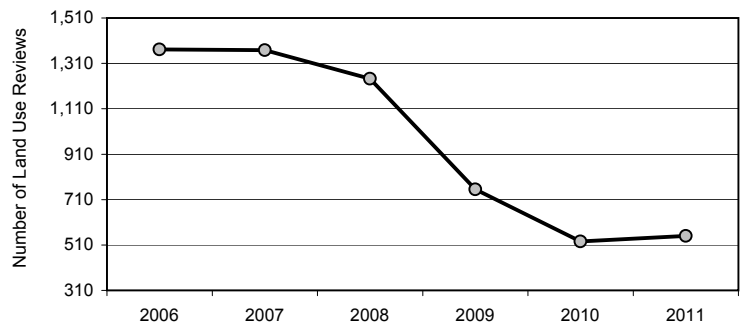
Residential Inspections

Residential inspections are expected to increase slightly in FY 2010-11 after continuing to drop in FY2009-10.



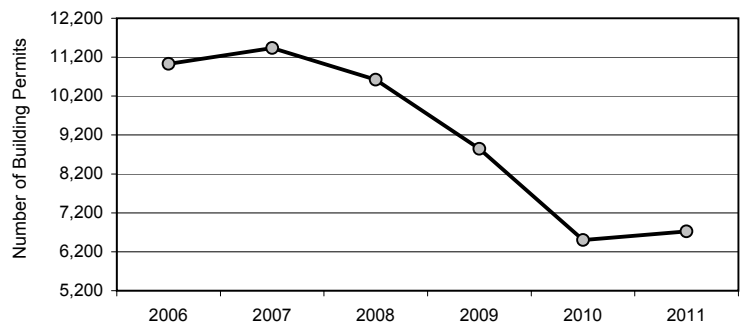
Land Use Review Applications

The number of land use applications is expected to continue to decrease in FY2009-10. Very mild growth is projected in FY2010-11.



Total Commercial & Residential Building Permits

The number of building permits is expected to decrease in FY 2009-10 with a slight increase in FY 2010-11.



Bureau of Development Services

SUMMARY OF BUREAU BUDGET

	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11
RESOURCES					
External Revenues					
Licenses and Permits	26,483,703	20,413,092	24,082,310	17,262,908	17,262,908
Charges for Services	10,149,641	6,216,121	9,618,942	5,942,773	5,942,773
Miscellaneous	2,075,942	1,341,766	1,817,896	2,046,775	2,046,775
Total External Revenues	38,709,286	27,970,979	35,519,148	25,252,456	25,252,456
Internal Revenues					
General Fund Discretionary	0	0	0	0	3,656,248
Fund Transfers - Revenue	2,503,644	2,025,280	1,928,117	1,889,156	1,889,156
Interagency Revenue	600,729	405,707	578,786	720,678	720,678
Total Internal Revenues	3,104,373	2,430,987	2,506,903	2,609,834	6,266,082
Beginning Fund Balance	14,310,244	14,531,985	8,927,808	410,309	410,309
TOTAL RESOURCES	\$ 56,123,903	\$ 44,933,951	\$ 46,953,859	\$ 28,272,599	\$ 31,928,847
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
EXPENDITURES					
Bureau Requirements					
Personal Services	29,117,189	29,817,243	27,439,818	27,052,906	19,061,476
External Materials & Services	1,655,019	1,447,640	1,885,797	731,710	958,654
Internal Materials & Services	8,273,171	7,808,675	7,790,794	6,377,710	6,600,964
Total Bureau Requirements	39,045,379	39,073,558	37,116,409	34,162,326	26,621,094
Fund Requirements					
Contingency	0	0	6,730,311	(8,955,010)	2,242,470
Fund Transfers - Expense	2,546,539	2,963,650	2,264,514	2,369,009	2,369,009
Bond Expenses	0	0	842,625	696,274	696,274
Unappropriated Fund Balance	14,531,985	2,896,743	0	0	0
Total Fund Requirements	17,078,524	5,860,393	9,837,450	(5,889,727)	5,307,753
TOTAL EXPENDITURES	\$ 56,123,903	\$ 44,933,951	\$ 46,953,859	\$ 28,272,599	\$ 31,928,847
PROGRAMS					
Administration & Support			8,047,863	7,855,369	7,335,289
Combination Inspections			4,094,175	3,614,396	2,822,081
Commercial Inspections			5,000,118	4,726,730	3,417,910
Compliance Services			1,301,866	1,144,197	697,215
Development Services			3,483,406	4,174,492	3,423,874
Land Use Services			7,159,408	6,236,700	3,756,660
Neighborhood Inspections			2,349,761	1,585,852	1,800,749
Plan Review			3,905,623	3,238,672	2,344,672
Site Development			1,774,189	1,585,918	1,022,644
TOTAL PROGRAMS	\$	\$	\$ 37,116,409	\$ 34,162,326	\$ 26,621,094
Note: Historical program information is not available due to the level at which budget figures were converted to the new EBS cost structure.					

Bureau of Development Services

FTE SUMMARY

Class	Title	Salary Range		Revised FY 2009–10		Requested FY 2010–11		Proposed FY 2010–11	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000434	Administrative Assistant	44,533	68,619	2.00	131,160	2.00	133,617		
30000433	Administrative Specialist, Sr	41,475	63,856	5.00	233,049	6.00	326,077		
30000437	Administrative Supervisor II	56,763	75,670	1.00	56,760	0.00	0		
30000173	Building Inspector II	61,797	71,510	7.00	442,308	1.00	71,508		
30000174	Building Inspector, Sr	69,389	80,288	14.00	1,097,268	12.00	958,500		
30000176	Building Inspector/Plans Examiner	30,347	35,131	2.00	60,696	0.00	0		
30000442	Business Operations Manager, Sr	92,186	138,902	1.00	128,748	1.00	128,748		
30000448	Business Systems Analyst	56,763	75,670	3.00	204,658	2.00	150,514		
30000447	Business Systems Analyst, Assistant	44,533	68,619	1.00	59,193	1.00	61,614		
30000449	Business Systems Analyst, Sr	62,629	83,637	1.00	86,076	1.00	86,076		
30000183	Code Specialist I	31,866	41,163	1.00	31,872	0.00	0		
30000184	Code Specialist II	41,829	53,768	6.00	262,932	4.00	205,716		
30000186	Code Specialist III	45,094	57,387	2.00	102,480	1.00	57,384		
30000170	Combination Inspector	65,915	76,336	23.00	1,630,644	14.00	1,068,564		
30000491	Community Outreach & Informtn	44,533	68,619	1.00	44,532	0.00	0		
30000492	Community Outreach & Informtn Rep	54,080	72,051	1.00	65,664	1.00	67,680		
30000017	Customer Accounts Specialist I	33,405	46,758	2.00	66,816	0.00	0		
30000426	Development Services Director	114,026	163,426	1.00	152,004	1.00	158,244		
30000335	Development Services Project Coord	60,840	77,709	5.00	354,816	3.00	233,136		
30000332	Development Services Technician I	37,378	50,086	15.00	624,240	5.00	250,440		
30000333	Development Services Technician II	50,086	63,898	13.00	772,392	12.00	755,526		
30000334	Development Services Technician III	60,840	77,709	2.00	137,952	2.00	144,042		
30000838	Development Services Technician	30,347	30,347	1.00	30,348	0.00	0		
30000732	Development Supervisor I	62,629	83,637	1.00	62,628	0.00	0		
30000836	Development Supervisor II	68,994	92,726	1.00	89,119	1.00	91,842		
30000168	Electrical Inspector	61,797	71,510	7.00	471,432	6.00	421,056		
30000169	Electrical Inspector, Sr	69,389	80,288	5.00	390,552	5.00	390,552		
30000681	Engineer, Supervising	86,237	114,982	2.00	194,418	2.00	200,923		
30000365	Engineer-Civil	79,997	97,219	2.00	177,216	1.00	97,224		
30000367	Engineer-Geotechnical	79,997	97,219	2.00	174,894	2.00	177,216		
30000368	Engineer-Mechanical	79,997	97,219	1.00	79,992	0.00	0		
30000369	Engineer-Structural	79,997	97,219	8.00	729,783	6.00	583,344		
30000353	Engineering Associate-Civil	56,846	76,190	1.00	56,844	0.00	0		
30000325	Engineering Technician II	50,086	63,898	1.00	58,671	1.00	61,605		
30000326	Engineering Technician III	60,840	77,709	1.00	77,712	1.00	77,712		
30000338	Environmental Technician II	50,086	63,898	1.00	57,948	1.00	59,876		
30000567	Financial Analyst	56,763	75,670	1.00	75,672	1.00	75,672		
30000566	Financial Analyst, Assistant	44,533	68,619	1.00	44,532	1.00	44,532		
30000569	Financial Analyst, Principal	74,214	98,862	1.00	90,452	1.00	94,161		
30000372	Graphics Designer II	50,086	63,898	1.00	50,088	0.00	0		
30000171	Housing Inspector	44,408	56,202	6.00	301,860	7.00	385,692		
30000172	Housing Inspector, Sr	58,302	67,496	2.00	125,808	1.00	67,500		
30000736	Inspection Manager	85,800	116,293	4.00	440,826	4.00	453,655		
30000735	Inspection Supervisor	74,214	98,862	4.00	370,824	3.00	296,604		
30000453	Management Analyst, Principal	74,214	98,862	1.00	74,220	0.00	0		
30000452	Management Analyst, Sr	62,629	83,637	1.00	83,629	1.00	83,640		
30000450	Management Assistant	44,533	68,619	1.00	63,852	1.00	65,604		
30000737	Noise Control Officer	59,634	79,518	1.00	79,524	1.00	79,524		
30000011	Office Support Specialist I	28,350	39,354	4.00	113,424	0.00	0		
30000012	Office Support Specialist II	31,138	43,430	12.00	422,832	4.00	173,712		
30000013	Office Support Specialist III	39,832	51,272	11.00	519,856	8.00	406,980		
30000014	Office Support Specialist, Lead	39,832	51,272	1.00	51,276	1.00	51,276		
30000377	Planner I, City-Land Use	53,248	61,443	5.00	274,416	3.00	187,272		
30000381	Planner I, City-Urban Design	53,248	61,443	2.00	106,488	0.00	0		
30000384	Planner II, City-Environmental	58,552	67,642	3.00	184,740	1.00	67,644		
30000385	Planner II, City-Land Use	58,552	67,642	19.00	1,176,084	11.00	729,132		
30000389	Planner II, City-Urban Design	58,552	67,642	3.00	193,836	2.00	135,288		
30000375	Planner, Associate	48,298	55,910	1.00	53,244	1.00	55,686		
30000725	Planner, Principal	85,800	116,293	1.00	116,292	1.00	116,292		
30000392	Planner, Sr City-Environmental	60,840	77,709	1.00	77,712	1.00	77,712		
30000393	Planner, Sr City-Land Use	60,840	77,709	11.00	770,472	6.00	466,272		
30000397	Planner, Sr City-Urban Design	60,840	77,709	2.00	155,424	2.00	155,424		
30000724	Planner, Supervising	74,214	98,862	5.00	452,368	4.00	389,124		
30000374	Planning Assistant	31,283	39,915	2.00	62,568	0.00	0		
30000231	Plans Examiner, Commercial	64,688	74,880	13.00	902,124	8.00	590,640		
30000232	Plans Examiner, Sr	70,283	81,370	2.00	162,744	2.00	162,744		
30000164	Plumbing Inspector	61,797	71,510	7.00	461,724	4.00	276,324		
30000165	Plumbing Inspector, Sr	69,389	80,288	4.00	310,260	4.00	323,088		
30000464	Program Coordinator	59,634	79,518	1.00	59,640	0.00	0		

Community Development Service Area

Class	Title	Salary Range		Revised FY 2009-10		Requested FY 2010-11		Proposed FY 2010-11	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000466	Program Manager, Sr	74,214	98,862	1.00	90,108	1.00	92,264		
30000463	Program Specialist	54,080	72,051	3.00	197,898	3.00	217,896		
30000462	Program Specialist, Assistant	44,533	68,619	3.00	150,618	2.00	108,614		
30000497	Public Information Manager	68,994	92,726	1.00	69,000	0.00	0		
30000177	Site Development Inspector I	54,059	62,566	1.00	54,060	0.00	0		
30000179	Site Development Inspector II	61,797	71,510	4.00	247,200	0.00	0		
30000178	Site Development Inspector, Sr	69,389	80,288	1.00	80,292	1.00	80,292		
30000181	Structural Inspector	61,797	71,510	1.00	61,800	0.00	0		
30000532	Training & Development Officer	62,629	83,637	1.00	79,248	1.00	81,958		
TOTAL FULL-TIME POSITIONS				293.00	\$ 18,856,852	187.00	\$ 13,610,954		\$
30000368	Engineer-Mechanical	79,997	97,219	0.00	0	0.50	49,776		
30000012	Office Support Specialist II	31,138	43,430	0.90	28,020	0.00	0		
30000385	Planner II. City-Land Use	58,552	67,642	3.60	227,136	1.80	121,752		
30000389	Planner II. City-Urban Design	58,552	67,642	0.90	60,876	0.90	60,876		
30000374	Planning Assistant	31,283	39,915	1.80	56,304	0.00	0		
30000231	Plans Examiner, Commercial	64,688	74,880	0.90	58,224	0.00	0		
TOTAL PART-TIME POSITIONS				8.10	\$ 430,560	3.20	\$ 232,404		\$
30000062	Accountant I	37,606	52,499	1.00	46,848	0.00	0		
30000452	Management Analyst, Sr	62,629	83,637	2.83	214,472	2.67	217,495		
30000011	Office Support Specialist I	28,350	39,354	1.00	37,890	0.00	1,736		
30000375	Planner, Associate	48,298	55,910	0.75	40,599	0.00	0		
TOTAL LIMITED TERM POSITIONS				5.58	\$ 339,809	2.67	\$ 219,231		\$

FUND SUMMARY

Development Services Fund
Community Development Service Area

	Actual FY 2007-08	Actual FY 2008-09	Revised FY 2009-10	Req No DP FY 2010-11	Requested FY 2010-11	Proposed FY 2010-11
RESOURCES						
Licenses & Permits	26,483,703	20,413,092	24,082,310	17,262,908	17,262,908	
Charges for Services	10,149,641	6,216,121	9,618,942	5,942,773	5,942,773	
Miscellaneous	2,075,942	1,341,766	1,817,896	2,046,775	2,046,775	
Total External Revenues	38,709,286	27,970,979	35,519,148	25,252,456	25,252,456	
General Fund Discretionary	0	0	0	0	3,656,248	
Fund Transfers - Revenue	2,503,644	2,025,280	1,928,117	1,889,156	1,889,156	
Interagency Revenue	600,729	405,707	578,786	720,678	720,678	
Total Internal Revenues	3,104,373	2,430,987	2,506,903	2,609,834	6,266,082	
Beginning Fund Balance	14,310,244	14,531,985	8,927,808	410,309	410,309	
TOTAL RESOURCES	\$ 56,123,903	\$ 44,933,951	\$ 46,953,859	\$ 28,272,599	\$ 31,928,847	\$
REQUIREMENTS						
Personal Services	29,117,189	29,817,243	27,439,818	27,052,906	19,061,476	
External Materials & Services	1,655,019	1,447,640	1,885,797	731,710	958,654	
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Total Bureau Expenditures	39,045,379	39,073,558	37,116,409	34,162,326	26,621,094	
Contingency	0	0	6,730,311	(8,955,010)	2,242,470	
Fund Transfers - Expense	2,546,539	2,963,650	2,264,514	2,369,009	2,369,009	
Bond Expenses	0	0	842,625	696,274	696,274	
Total Fund Requirements	2,546,539	2,963,650	9,837,450	(5,889,727)	5,307,753	
Ending Fund Balance	14,531,985	2,896,743	0	0	0	
TOTAL REQUIREMENTS	\$ 56,123,903	\$ 44,933,951	\$ 46,953,859	\$ 28,272,599	\$ 31,928,847	\$

FUND OVERVIEW

Operating Fund 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

Declining Construction Activity The slowdown in construction activity in Portland has led to a significant decline in revenues projected for the fund. Consequently, the FY 2010-11 Requested Budget includes significant programmatic reductions as outlined in the bureau section of the budget document. Because of the volatility of the current development environment, all fund-level requirements are budgeted as contingency in order to provide flexibility throughout the year.

Fee Increases The FY 2010-11 Requested Budget includes fee increases for the following programs in FY 2010-11: Building/Mechanical (5%), Electrical (5%), Plumbing (5%), Facilities Permits (4%), Site Development (5%), Environmental Soils (10%), Signs (7.5%), Zoning (5%), Noise (5%), Neighborhood Inspections (5%), and Land Use Services (5%).



**City of
Portland, Oregon
Bureau of Development Services**

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MEMORANDUM

Date: November 24, 2009

From: Paul L. Scarlett, Director

To: BDS Budget Committee
BDS Labor Management Committee (LMC)
BDS Budget Advisory Committee (BAC)
Development Review Advisory Committee (DRAC)

Subject: BDS Budget Goals for Fiscal Year (FY) 2010-11

The development of the bureau's budget over the last several years has reflected the efforts of BDS staff and stakeholders working collaboratively to identify priorities for the continued improvements and success of our operations. The same approach will be used again this year.

The ongoing economic downturn has led to declines in construction projects and land use activities, contributing to reduced revenues and workload for BDS. Despite aggressive cost-saving measures, we have used most of our reserve fund and have reduced our staff by approximately one-half since June 2009. Current financial projections call for the reserve fund to be slowly rebuilt over the next few years, so it will be critical for annual budget requests to be structured in order to accomplish our longer-term financial goals. The budget request for Fiscal Year (FY) 2010-11 will thus be much smaller than requests from previous years, and will contain minimal to no add packages. However, we will closely monitor construction activity and our operation and make adjustments as needed.

At the same time, we have made great strides over the past several years in many of our programs and service delivery efforts, and we will make every effort to continue providing efficient and effective services with reduced resources. We will also pursue financial stability and will plan for future economic recovery.

The FY 2010-11 BDS budget request will support these goals by focusing on several key themes:

- Adequate staffing levels
- Cost savings / Program efficiencies
- Service Levels (benchmarks) and Service Delivery (process)
- Cost recovery
- Technology

Adequate Staffing Levels

The new economic realities we face will compel us to approach the staffing and rebuilding of the bureau in a different way. We will need to be more flexible in our staffing so we can be more responsive to changes in the development industry and the work coming in our doors.

Cost Savings / Program Efficiencies

The bureau will continue to examine cost saving measures and ways to make our programs and services more efficient, including looking at program structures, processes, innovation, and best practices.

Service Levels & Service Delivery

Given the reductions in our staffing levels, it is important to set service level goals (benchmarks) that both meet customers' needs and are achievable for the bureau. We also want to look at our service delivery to see if the way we provide services can be improved.

Cost Recovery

For several years, the bureau has struggled to reach full cost recovery for some of our services. In some cases, due to the nature of the service or the broader context in which the service is provided, full cost recovery will not be achievable. For other services, full cost recovery is an appropriate long-term goal. We have been working on cost recovery in some areas (for example, Environmental Soils) by implementing gradual increases in fees over several years, which is better for our customers. As always, we will seek to make changes in ways that have minimal impact upon our customers and stakeholders.

Technology

In this budget cycle, stronger emphasis will be placed on implementing new technologies to improve the efficiency and effectiveness of our services and to make information more broadly available. Projects currently in process include online permitting, electronic plan review, and web-based programs. We will be reviewing cost, available technology, and implementation timelines in order to respond to budgetary constraints and programmatic needs.

Due Date

The due date for the bureau's budget request is February 2, 2010. Thank you in advance for your participation and contribution in developing our FY 2009-10 budget!