



Portland Bureau of Transportation Fee Development Update

FY 2022-23

Updates from FY 21-22 Cycle

Sustainable Fee Plan

- ▶ Increase fees by 10% to address immediate cost recovery issues
- ▶ Implement annual 10% increase to reach full cost recovery in 5 years
- ▶ Address subsidized products and services

Status

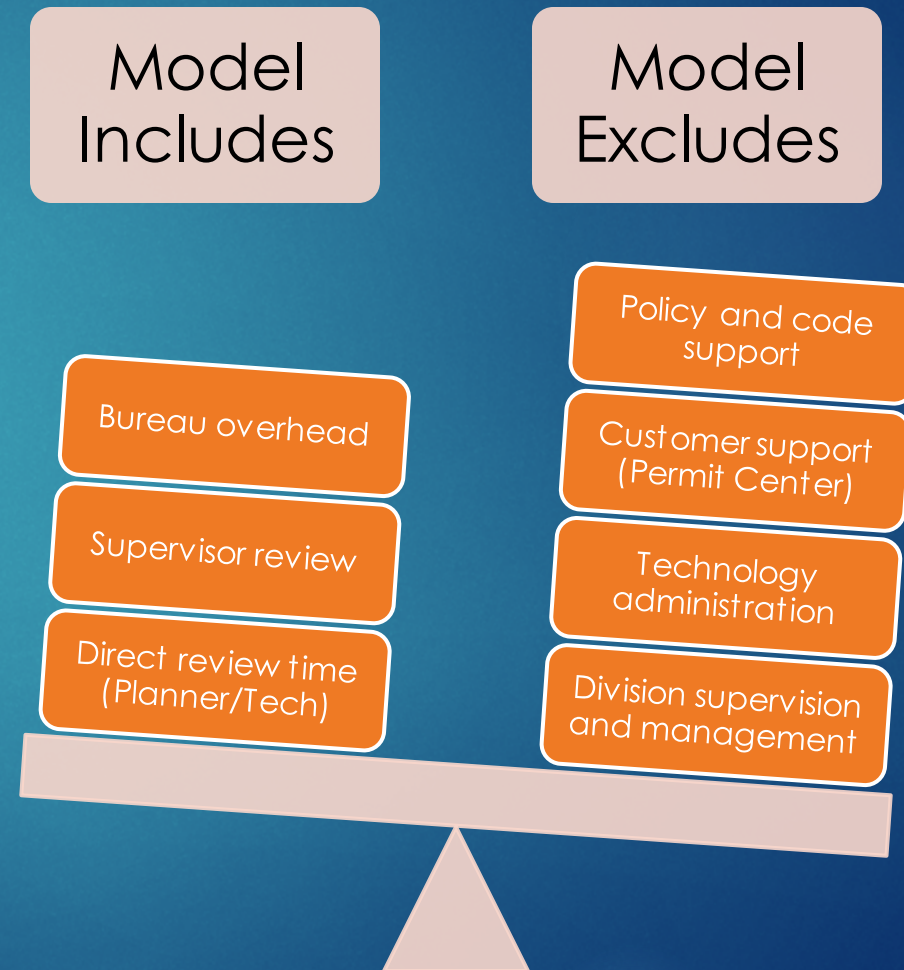
- ▶ Implemented reduced 4.5% increase for FY 21-22
- ▶ Updated and refined fee model; set cost recovery targets for each fee
- ▶ Identified subsidized products and developed sustainable funding model

Approach to FY 22-23 Fees

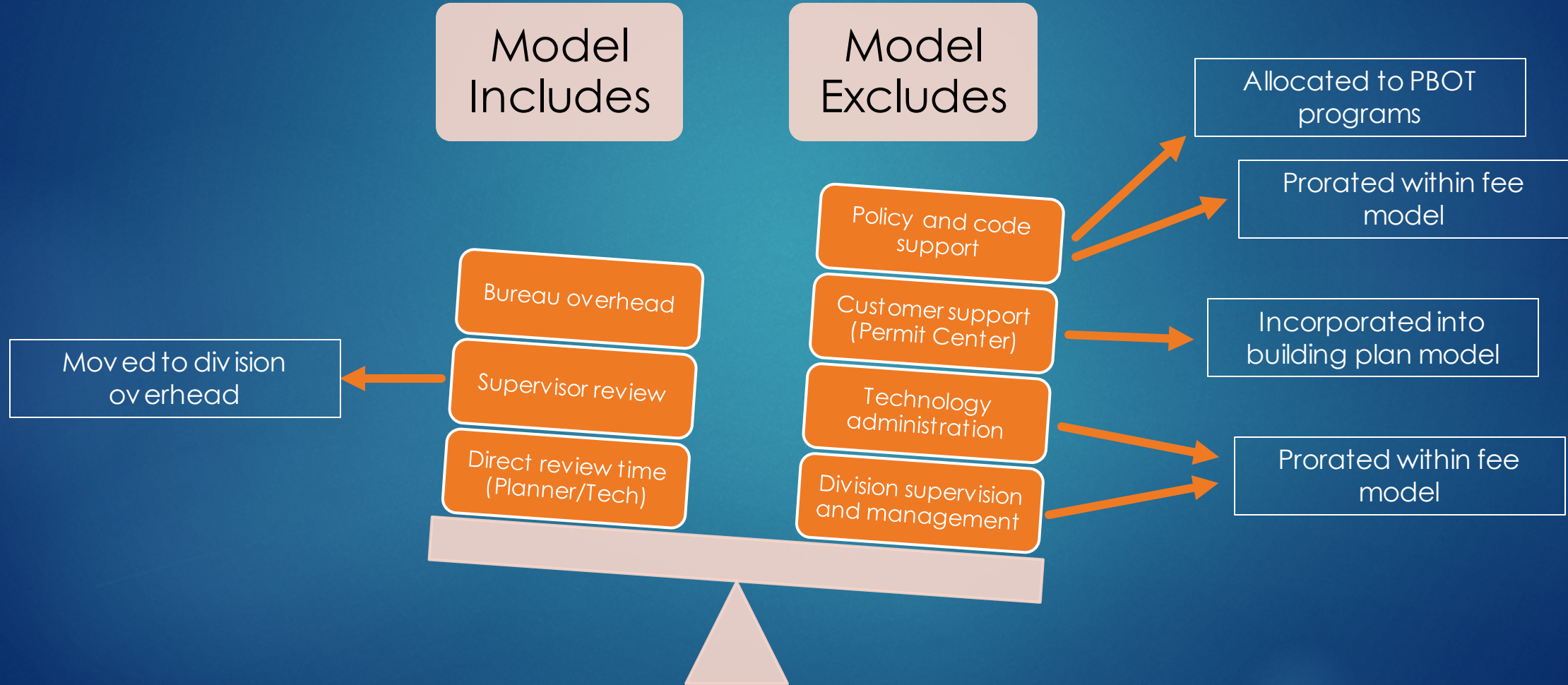
- ▶ Match increases on staff, M&S, overhead to maintain current cost recovery levels
- ▶ Begin closing the cost recovery gap on all fees
- ▶ Phase in full cost recovery over 5-year period (through FY 26-27)

Addressing Fee Model Shortcomings

- ▶ PBOT staff analyzed model exclusions and assigned costs to their appropriate funding source
- ▶ Makes Development Review consistent with other PBOT fee models
- ▶ Establishes the true cost of service for each product
- ▶ Rate at which PBOT reaches cost recovery will be determined by leadership



Addressing Fee Model Shortcomings



Path to Cost Recovery

- Current fees are 45% below full cost recovery on average
- FY 22-23 fees address high current inflation and partially reduce cost recovery gap
- Additional increases above inflation will be required to reach full cost recovery

Product	Current	FY 22-23 Proposed	FY 22-23 Increase (%)	Full Cost Recovery	% to Full Cost Recovery
Adjustment – Residential	\$ 367	\$ 415	13%	\$ 553	51%
Early Assistance – Written Info Only	\$ 613	\$ 693	13%	\$ 803	31%
Design Review (Type III)	\$ 5,073	\$ 5,732	13%	\$ 6,288	24%
Building Permit Check (Residential)	\$ 411	\$ 464	13%	\$ 626	52%
Building Permit Check (\$1M+)	\$ 6,681	\$ 7,550	13%	\$ 10,177	52%

Select fees: current rates, FY 22-23 rates and full cost recovery rates