



**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.