



**City of
Portland, Oregon**
Bureau of Development Services
FROM CONCEPT TO CONSTRUCTION

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**FY 2011-12 Service Improvement Plan
Bureau of Development Services**

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) 2011-12 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 its 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.

Information Technology Advancement Project (ITAP)

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.

On November 3, 2010 City Council authorized BDS to move forward with an online plan review and permitting system that would provide much greater access to information and services for custom. 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

Customers and stakeholders will be able to perform much of their land use review, permitting, inspection, and research work online, including submitting applications,

retrieving inspection results in real-time, and being notified of issued checksheets electronically. 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 currently with the Office of Management and Finance and the City Attorney's Office to: negotiate a contract with the system vendor; write an intergovernmental agreement with the State of Oregon; and secure a line of credit to fund the project. ITAP will be key to BDS's ability to provide services effectively and efficiently into the future.

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 requesting to add 13 new positions in its FY 2011-12 budget request. These new positions would be funded with bureau revenues (not General Fund monies) and would allow the addition of essential staff to bring key services up to minimally-acceptable levels. Even with these additional positions, not all high-priority bureau services will be restored to acceptable levels; workload projections indicate that 10 *more* positions (beyond the 13) would be needed to fully restore all high-priority services.

If the budget Add Packages are approved, BDS will fill staff positions as revenues recover. Customers will see the following improvements: 85% of combination/residential inspections made within 24 hours of request and 98% of commercial inspections; housing inspections increasing from 2,800 per year to 5,000; number of nuisance properties cleaned up increasing from 2800 per year to 3360.

Neighborhood Inspections, Sign Inspections & Land Use Services

BDS Land Use Services (LUS), Neighborhood Inspections, and the Noise Control Program provide a benefit to the public and have historically been supported in part by the City's General Fund. LUS enhances the City's livability through implementation of the Zoning Code. Neighborhood Inspections prevents the deterioration of existing housing and neighborhoods. The Noise Control Program improves neighborhood livability. The benefits of their services go well beyond their fee-paying customers.

All three of these programs have been under-funded and beset by deficits in their reserve funds for several years. Most recently the bureau has reduced services in these areas due to lack of revenues and General Fund support.

In addition, due to reductions in the Sign Enforcement Program, the bureau has ceased most sign enforcement that does not involve life/safety issues, and there have been many signs installed that do not meet the intent of the Sign Code.

To address these needs, BDS's FY 2011-12 Requested Budget includes a request for \$668,934 in one-time General Fund support to add 5.5 positions to these four programs. While adding these positions will not return all services to their previous levels, it will restore some key services that have been significantly reduced. BDS's Financial Plan shows that bureau revenues (fees and charges) would support these positions in future years.

Operational efficiencies - self-service permits and fee payment

BDS is reviewing the feasibility of upgrading its IVR (Interactive Voice Response) system as part of the ITAP. IVR provides phone access to permit information such as inspections. The IVR upgrade would include adding notification when the limit on the number of inspections included with a permit is reached (inspection limitation), the ability to order more inspections, and the ability to pay for inspections over the phone with a credit card.

BDS is also reviewing the feasibility of adding the inspection limitation functionality to its Internet Permits application. This application currently allows customers to order trade permits (electrical, mechanical, and plumbing) that do not require plan review online, add fixtures to existing online permits, and pay for online permits with a credit card.

Phone and online customer service functionality is important because it allows customers to receive services and make payments without having to make a trip to bureau offices, and it reduces the use of staff time. This allows BDS staff to focus on providing customer service in other important areas.