



City of Portland, Oregon
Bureau of Development Services
Office of the Director
FROM CONCEPT TO CONSTRUCTION

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March 29, 2013

TO: Mayor Charlie Hales
Commissioner Dan Saltzman
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Steve Novick
City Auditor LaVonne Griffin-Valade
Sara Lowe, City Budget Office

FROM: Paul L. Scarlett, Director
Bureau of Development Services

PLS

SUBJECT: Budget Monitoring Report – Spring 2012-13

Attached is the Spring 2012-13 Budget Monitoring Report for the Bureau of Development Services.

The economy and the development industry have continued to recover from the recession, and BDS has been struggling to keep up with the growing workload. Workload and permit and land use revenues have remained strong in FY 2012-13, continuing a trend that began in FY 2011-12. This revenue and workload growth has prompted BDS to respond to the increasing workload by gradually adding back some of the staff that was lost during the recession. The bureau is requesting to amend its budget and reallocate resources to be able to better manage increased workload and customer demand for services.

The report includes the following requests:

DS_016. Spring BMP FY 2012-13 Vacancy Savings Non-General Fund

The Mayor and the Council in FY 2012-13 Adopted Budget expressed a strong desire to capture vacancy savings in all bureaus. Beginning on July 1st 2012 and throughout the fiscal year, each bureau is expected to generate the equivalent of three months' salary savings based on the budgeted amount for the vacant position. For the FY 2012-13 Spring BMP, the vacancy savings for BDS, based on this three month requirement calculated by the City Budget Office analyst, amounted to \$87,074. This request transfers \$87,074 from personnel services to bureau contingency.

DS_017. Adjustment to IA with the Facilities

An adjustment of \$335,000 to the interagency agreement with Facilities to add appropriation for internal moves and additional rent for the space on the 6th floor of 1900 building. The move was completed in December of 2012.

DS_018. Adjustment to IA with the Printing and Distribution

An adjustment of \$160,000 to the interagency agreement with Printing and Distribution to add appropriation for microfilm services and prevent over expenditure.

DS_019. Adjustment to IA with the Fleet

An adjustment of \$220,000 to the interagency agreement with the Fleet to add appropriation for purchase of five new cars, vehicle leases, and vehicle equipment. New cars are necessary to accommodate new inspector positions added. Approval of this request meets the requirements of Resolution 35960 requiring Council approval of leases, upgrades to replacements, and new vehicle additions.

DS_020. Adjustment to IA with the Bureau of Technology Services

An adjustment of \$193,000 to the interagency agreement with the Bureau of Technology Services to add appropriation for expenditures associated with internal moves, new employee set up, and to prevent over expenditure.

DS_021. Adjustment for Portland Milwaukie Light Rail Grant (\$21,000)

An adjustment to add appropriation to expenditures and intergovernmental revenues for services provided to TriMet related to the Portland Milwaukie Light Rail project.

DS_022. IA with Portland Bureau of Emergency Management (\$1,888)

This adjustment would add appropriation to interagency revenues for training services provided by BDS to the Portland Bureau of Emergency Management.

DS_023. Debt Issuance Costs associated with the Information Technology Advancement Project (ITAP) (\$10,000)

The ITAP is being funded by a combination of the line of credit and BDS's internal revenues. This adjustment would add appropriation to debt issuance costs related to securing the line of credit.

DS_024. Adjustment to BDS's personnel services budget

The bureau has been responding to the increased workload by gradually adding back positions.

Many of the staff were added back initially on the limited term basis. These positions were converted to permanent status through Budget Monitoring Processes in fall and winter of FY 2012-13. In addition, to manage the increased workload the bureau also tapped into its employee retiree pool and brought back several employees on temporary basis. The bureau needs to add appropriation to personnel services to account for these personnel expenditures.

Moreover, this budget year all bureaus were directed to generate the equivalent of three months' salary savings based on the budgeted amount for the vacant position. For the FY 2012-13, the

vacancy savings for BDS, based on this three month requirement calculated by the City Budget Office analyst, amounted to \$498,317. This amount was transferred from personnel services to bureau contingency. In the past, vacancy savings remained in the personnel services and used to offset personnel expenditures associated with Cost of Living Adjustments (COLA). COLA is not included in the personnel services in the adopted budget. The bureau's estimate for FY 2012-13 COLA associated expenditures is approximately \$690,000.

The adjustment of \$1,077,059 to personnel services is necessary to add appropriation for COLA and limited term and temporary employees.

DS_025. BDS Additional Positions

Since FY 2011-12, BDS has experienced increasing workloads as the economy and the local construction industry have gradually emerged from the recession. The bureau has been slowly adding back FTE that were cut during the recession in order to restore services and respond to the workload. Positions were added in FY 2011-12 and 2012-13 and BDS has requested 14 additional FTE for FY 2013-14.

However, the pace of construction has recently been accelerating, and it has become clear that several FTE are needed now in frontline positions in order to meet demands for services and not hinder economic recovery in Portland.

Along with addressing workload increases, adding these positions will allow for an expansion of services in the Development Services Center (DSC) to include full-day services on Wednesdays and Thursdays. BDS customers have long advocated for expanded services in order to better meet their needs.

Staff Additions

BDS is requesting 7.5 FTE in the Spring BuMP, including

- 1.0 Plans Examiner (DSC)
- 1.0 Development Services Technician II (DSC)
- 2.0 City Planner II (DSC)
- 0.5 City Planner II (converting an existing part-time position to full-time)
- 1.0 Sr. Administrative Specialist (TRACS Team)
- 1.0 Combination Inspector
- 1.0 Sr. Building Inspector (FIR Program)

All positions above are being funded by permit and license fee revenues. No additional General Fund money is requested to support these positions.

Projected Service & Performance Improvements

The addition of these FTE will lead to service and performance improvements, including:

- BDS will be able to provide building permit application intake and review services in the DSC for an additional 3 hours on Wednesdays and Thursdays.
- Existing performance measures will be improved through the increased staff capacity and coverage in the DSC.

- Land Use staff will have sufficient capacity to work on key projects including preparation for ITAP, collaboration with BPS on Zoning Code re-writes, and amending the Sign Code without impacting performance and timelines on land use reviews.
- The Sr. Administrative Specialist position will improve the TRACS Team's ability to respond to requests for TRACS system improvements needed by front line groups until the new system (ITAP) is operational.
- The inspector positions will improve the bureau's response time on inspection requests and will address a significant waitlist of applicants for the popular FIR (Field Issuance Remodel) Program.

Interagency Bureau Staffing to Support Expansion of DSC Services

In discussions with some of the other bureaus involved in development review, they indicated that in order to support the expansion of DSC services they will also need additional staff positions, including:

- BES Sanitary & Storm: 1.0 FTE
- BES Pollution Prevention: 1.0 FTE
- PBOT Street Systems: 1.0 FTE

These positions are necessary in order to fully staff the DSC and provide full services to customers on Wednesday and Thursday afternoons. BDS is working with partner bureaus on proposed expansion of services at DSC.

If you have any questions, please contact Denise Kleim, Senior Business Operations Manager, in the Bureau of Development Services at 503-823-7338.

BUDGET AMENDMENT REQUEST

Bureau of Development Services

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

DS_016 - Spring BMP FY 2012-13 Vacancy Savings

The Mayor and the Council in FY 2012-13 Adopted Budget expressed a strong desire to capture vacancy savings in all bureaus. Beginning on July 1st 2012 and throughout the fiscal year, each bureau is expected to generate the equivalent of three months' salary savings based on the budgeted amount for the vacant position. For the FY 2012-13 Spring BMP, the vacancy savings for BDS, based on this three month requirement calculated by the City Budget Office analyst, amounted to \$87,074. This request transfers \$87,074 from personnel services to bureau contingency.

Dollar Amount: \$0
Type: Vacancy Savings and Exceptions
Resources: Bureau Contingency

DS_017 - Adjustment to IA with the Facilities

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Dollar Amount: \$0
Type: New Request
Resources: Bureau Contingency

DS_018 - Adjustment to IA with the Printing&Distribution

An adjustment of \$160,000 to the interagency agreement with Printing and Distribution to add appropriation for microfilm services and prevent over expenditure.

Dollar Amount: \$0
Type: New Request
Resources: Bureau Contingency

DS_019 - Adjustment to IA with the Fleet

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Dollar Amount: \$0
Type: New Request
Resources: Bureau Contingency

BUDGET AMENDMENT REQUEST

Bureau of Development Services

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

DS_020 - Adjustment to IA with the Bureau of Technology S

An adjustment of \$193,000 to the interagency agreement with the Bureau of Technology Services to add appropriation for expenditures associated with internal moves, new employee set up, and to prevent over expenditure.

Dollar Amount: \$0
Type: New Request
Resources: Bureau Contingency

DS_021 - Adjustment for Portland Milwaukie Light Rail

An adjustment to add appropriation to expenditures and intergovernmental revenues for services provided to TriMet related to the Portland Milwaukie Light Rail project.

Dollar Amount: \$21,000
Type: New Request
Resources: Bureau Contingency

DS_022 - IA with Portland Bureau of Emergency Management

This adjustment would add appropriation to interagency revenues for training services provided by BDS to the Portland Bureau of Emergency Management.

Dollar Amount: \$1,888
Type: New Request
Resources: Bureau Contingency

DS_023 - Debt Issuance Costs associated with ITAP

The ITAP is being funded by a combination of the line of credit and BDS's internal revenues. This adjustment would add appropriation to debt issuance costs related to securing the line of credit.

Dollar Amount: \$0
Type: New Request
Resources: Bureau Contingency

BUDGET AMENDMENT REQUEST

Bureau of Development Services

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

DS_024 - Adjustment to BDS's personnel services budget

The bureau has been responding to the increased workload by gradually adding back positions.

Many of the staff were added back initially on the limited term basis. These positions were converted to permanent status through Budget Monitoring Processes in fall and winter of FY 2012-13. In addition, to manage the increased workload the bureau also tapped into its employee retiree pool and brought back several employees on temporary basis. The bureau needs to add appropriation to personnel services to account for these personnel expenditures.

Moreover, this budget year all bureaus were directed to generate the equivalent of three months' salary savings based on the budgeted amount for the vacant position. For the FY 2012-13, the vacancy savings for BDS, based on this three month requirement calculated by the City Budget Office analyst, amounted to \$498,317. This amount was transferred from personnel services to bureau contingency. In the past, vacancy savings remained in the personnel services and used to offset personnel expenditures associated with Cost of Living Adjustments (COLA). COLA is not included in the personnel services in the adopted budget. The bureau's estimate for FY 2012-13 COLA associated expenditures is approximately \$690,000.

The adjustment of \$1,077,059 to personnel services is necessary to add appropriation for COLA and limited term and temporary employees.

Dollar Amount: \$0

Type: New Request

Resources: Bureau Contingency

BUDGET AMENDMENT REQUEST

Bureau of Development Services

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

DS_025 - BDS Additional Positions

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However, the pace of construction has recently been accelerating, and it has become clear that several FTE are needed now in frontline positions in order to meet demands for services and not hinder economic recovery in Portland.

Along with addressing workload increases, adding these positions will allow for an expansion of services in the Development Services Center (DSC) to include full-day services on Wednesdays and Thursdays. BDS customers have long advocated for expanded services in order to better meet their needs.

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Interagency Bureau Staffing to Support Expansion of DSC Services

In discussions with some of the other bureaus involved in development review, they indicated that in order to support the expansion of DSC services they will also need additional staff positions, including:

- BES Sanitary & Storm: 1.0 FTE
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- PBOT Street Systems: 1.0 FTE

These positions are necessary in order to fully staff the DSC and provide full services to customers on Wednesday and Thursday afternoons. BDS is working with partner bureaus on proposed expansion of services at DSC.

Dollar Amount: \$123,816

Type: New Request

Resources: New Revenues

BUREAU OF DEVELOPMENT SERVICES

Report on FY 2012-13 Budget Notes and Add Packages

FY 2012-13 Budget Notes

Information Technology Advancement Project

The Bureau of Development Services is directed to work with the Office of Management and Finance (OMF) to develop internal and external project monitoring controls for the Information Technology Advancement Project. The bureau and OMF should consider industry best practice when creating the controls, including looking at decision points and the development of formal project related plans and processes. Recommendations should be presented to Council in the Fall BMP.

Status: Underway

Estimated Completion Date:

Update

The update from the Fall BuMP continues to apply. In addition, BDS hired a Project Management Consultant to develop a draft Project Management Plan, which includes the following sub-plans: Change Management, Issues Management, Risk Management and Communication. The Project Management (PM) Plan and Sub-Plans have been drafted and shared with BDS, other City Bureaus, and BTS staff for comments and input. BDS is currently updating the project management in response to comments. The PM Plans and Sub Plans have been development in conformance with the standards set out in the Project Management Institute's Project Management Book of Knowledge, the industry standard for project management. The City's Draft Project Management Plan and Sub-Plans will be used to develop the ITAP Formal Project Plan once the vendor comes on board.

The Formal Project Plan will detail all Project Phases and the Deliverables indentified in the ITAP Scope of Work Addendum to the contracts currently being established in contract negotiations between the City of Portland and the apparent successful vendor. The Formal Project Plan will clearly define the scope, schedule and establish a not-to-exceed cost for each deliverable. Any change to the Formal Project plan will be processed through a Change Request to identify impacts to the project scope, schedule and/or cost.

All Change Requests will be heard by a Change Control Board and the final approval of Change Requests will be made by the Project Sponsor. The Project Plan will also include internal monitoring control process to identify, analyze and resolve project risks and issues.

Moreover, the baseline budget has been updated to include the revised application vendor contract costs. The revised estimate has been reviewed by the Technology Oversight Committee and the City Budget Office and is included in the bureau's five year financial plan. Once the contract with the ITAP vendors is signed, the CBO will use this as the baseline from which the projects budget to actuals will be monitored and reported to the TOC and the City Budget Office.

Performance Metrics for New Positions

The Bureau of Development Services is directed to provide the Office of Management and Finance, Financial Planning Division with updated performance measure information that links directly to the newly approved 17.6 FTE, in the FY 2012-13 Spring Budget Monitoring Process. This data should be compared against the figures provided during budget development. All variances in performance should be explained.

Status: Underway

Estimated Completion Date: 6/30/13

Explanation:

From 2009-2010, BDS was compelled to reduce its staff by over one-half due to deep declines in permit revenues. Throughout the bureau, low-priority services were eliminated and most remaining services were significantly reduced. 168 out of 315 BDS employees were cut.

As the economy and the development industry have continued to recover from the recession, BDS has been unable to keep up with the growing workload. Workload and permit and land use revenues have remained strong in the first half of FY 2012-13, continuing a trend that began in FY 2011-12.

The total number of building, site development, and zoning permit applications received from July through February 2013 increased by 11 percent over the same period in FY 2011-12. The total valuation of these permit applications is up by 31 percent. The total number of building, site development, and zoning permits issued for the same period is 15 percent higher than in FY 2011-12, and the valuation slightly down by 9 percent. The significant part of the growth in valuation in applications received is attributable to the unprecedented growth in multifamily construction, specifically small and midsize apartment complexes.

The situation is similar for Land Use applications received. The number of land use case applications received from July through February 2013 increased by 33 percent over the same period in FY 2011-12, the number of final plat applications increased by 3 percent.

This revenue and workload growth has allowed BDS to respond to the increasing workload by gradually adding back some of the staff that was lost during the recession. BDS added 17.6 FTE in FY 2012-13 Adopted Budget. These adds were intended to respond to the projected slight increase in work for FY 2012-13 and were proposed to improve the bureau's response time and customer service.

Table below displays bureau's estimates of improved performance submitted with the FY 2012-13 Budget Request, as well as current performance measures.

Performance Measure	FY 2011-12 Actual Data	Improvements Projected in FY 2012-13	Actual data for FY 2012-13(year to date)
Percent of Commercial Inspections made within 24 hours of request	90%	98%	95%
Percent of Residential Inspections made within 24 hours of request	96%	98%	90%
Land Use Review completeness checks: Type I, IIx, III	30 days	21 days	24 days
Land Use Review completeness checks: Type II	21 days	14 days	15 days
Days to first checksheet: Residential building code plan review: New construction	17 days	10-15 days	17 days
Days to first checksheet: Residential building code plan review: Additions/alteration	15 days	10-15 days	8 days
Days to first checksheet: Commercial Building Code Plan Review: New construction & addition/alteration	24 days	20 days	22.5 days
Days to first checksheet: Property line adjustments	18 days	15 days	18 days
Days to first checksheet: Lot confirmations	16 days	10 days	18 days
Response to Zoning complaints	20% response within timeframe goals for high and medium priority cases	response within 5 days for high and medium priority cases	23% response within timeframe goals for high and medium priority cases

However, the bureau experienced workload growth that significantly exceeded expectations. The column on the right summarizes bureau's performance for the selected performance measures. 17.6 FTE added through FY 2012-13 budget development process helped the bureau to mostly accommodate the increase in the workload.

Bureau's workload and revenues continue to grow; the bureau is requesting 14 FTE to be added to the bureau's workforce in FY 2013-14. Positions are being filled only where workloads have increased and where service improvements can be quantified. If these positions are approved, BDS will continue its practice of filling positions only when the revenues to support them are available and only where workload remains high.

FY 2011-12 Decision Packages

DS_01 – Improve Overall BDS Service Level

Package Summary:

From 2009 - 2010, BDS lost over half of its staff due to deep declines in permit revenues. Throughout the bureau, low-priority services were eliminated and most remaining services were significantly reduced. Though BDS continues to review its overall operation to find ways to provide services more efficiently, it has been a struggle to provide service levels that are realistic for the bureau and still meet customers' needs.

In FY 2011-12, permit revenues began to recover and BDS began slowly adding back staff in the most critical program areas. While the addition of 12 staff positions helped fill some of the largest gaps in bureau services, current staffing still is not sufficient to provide adequate services in all programs. Current bureau projections call for workload increases in FY 2012-13 and beyond, emphasizing the need to ensure that staff levels are matched to workload demands.

The 17.6 staff additions in this \$2.1 million decision package will respond to the increase in projected workload for FY 2012-13 and will improve the bureau's response time and customer service. Contractors and developers will experience quicker response times in inspections and plan review which will positively impact their bottom line. Neighborhoods and residents will see improved response to their requests for service for zoning and compliance complaints. In addition the bureau will refocus on improving its skills to respond to its damage assessment responsibilities in case of emergency. Bureau revenues are projected to increase in FY 2012-13, providing sufficient funds for the 17.6 FTE in this package. These positions will be added only as revenues and/or workload are realized.

Update

Positions were filled.

DS_02 – Enhanced Rental Inspection Program

Package Summary:

In November 2008, City Council adopted recommendations from the Quality Rental Housing Workgroup on issues of substandard housing, lack of habitability, and environmental health hazards in Portland rental housing. Since 2009, BDS has been implementing a pilot Enhanced Rental Inspection Program in East Portland. This program identifies property owners who are chronically out of compliance with City housing maintenance codes and who are unwilling to make cited repairs in a timely manner. This innovative rental inspection model focuses resources on additional inspections of rental units with potential violations. The program motivates landlords to provide and maintain safe and healthy rental housing, while offering protection to vulnerable tenants who might fear retaliation by eviction for reporting substandard housing conditions.

Since 2009, the enhanced rental inspection program has generated compelling results for fully utilizing and expanding the Enhanced Rental Inspection Program citywide. In FY 2010-11, 1,545 rental

inspections occurred at 1,386 units in East Portland. A total of 3,541 violations were cited and corrected, including substandard living conditions such as fire dangers, mold, rodents, and pests. Such violations often develop when landlords neglect basic upkeep and maintenance. The Program effectively decreased tenant vulnerability and improved rental housing in East Portland.

Until FY 2011-12, the Portland Housing Bureau (PHB) had provided support for two Housing Inspector FTE through federal Community Development Block Grant funds. The positions implement a project in East Portland for enhanced complaint inspections, as recommended by the Quality Rental Housing Workgroup and approved by City Council in 2008. In FY 2011-12 the Block Grant funds were unavailable and the positions were supported through one-time General Fund revenues.

This package continues \$164,796 in one-time General Fund support for two Housing Inspector FTE to implement the Enhanced Rental Inspection Program. The Enhanced Rental Inspection Program is part of the bureau's Enforcement Program, which helps create equitable housing options for Portlanders and is a basic service for the City's low-income and vulnerable renters. The continuation of the Enhanced Rental Inspection Program will help provide safe and healthy housing conditions for renters, and will result in 1,028 initial site inspections, 1,500 rental units being inspected, and up to 3,662 violations being cited. This decision package will continue increased services being offered to vulnerable renters in East Portland.

Update

Positions were filled. Based on current FY 12/13 projections through December 31st, the two Housing Inspectors will perform inspections which result in 1,010 initial site inspections, 1,555 rental units being inspected, and up to 3,630 violations being cited.

DS_03 – Improve Neighborhood Inspections Program

Package Summary:

This package continues \$247,194 in one-time General Fund revenue to support 3.0 Housing Inspector FTE in the bureau's Neighborhood Inspections Program. \$198,000 of this amount will come from new revenues produced by the elimination of the tax exemption for property owners with nine or less residential rental units. Neighborhood Inspections helps protect the health, safety, and welfare of Portland citizens by preventing the deterioration of existing housing and contributing to vital neighborhoods. The program enforces minimum standards for maintenance of residential structures, regulates derelict buildings, and also addresses exterior maintenance issues for non-residential structures.

In FY 2011-12 BDS received one-time General Fund support for three additional Housing Inspector positions to address housing complaints throughout the city. Prior to budget cuts in 2009 and 2010, these positions had been in the bureau's budget. The additional positions allowed the bureau to respond to all housing complaints involving exterior maintenance issues on owner-occupied and nonresidential properties (to prevent neighborhood deterioration), significantly increase responsiveness to fire/life/safety and health/sanitation issues for occupied residential rentals, and restore case management duties to facilitate more timely compliance for violations impacting the community at large.

This decision package will result in 828 initial site inspections and 834 dwelling unit inspections concerning property maintenance violations on rental, owner occupied, and non-residential buildings. The bureau will be able to resolve many more complaints and reduce the number of neglected properties that impact surrounding property values. The "broken window" theory suggests that this decision package will help address neighborhood livability by reducing crime, squatters, vagrants, and service calls to City

public safety agencies for neglected properties that have become an attractive nuisance. BDS will be able to investigate owner-occupied and non-residential property maintenance violations. Response times for initial inspections will be shortened and re-inspections, referral assistance, and code hearings to facilitate timely compliance will increase.

Update

Positions were filled. One position is currently vacant due to promotional transfer on January 7, 2013 and recruitment is currently underway to fill the position. Based on current FY 12/13 projections through December 31, the three Housing Inspectors will perform inspections which result in 1,925 initial site inspections, 1,980 dwelling unit inspections, and up to 3,390 property maintenance violations being cited at rental, owner occupied, and non-residential buildings.

DS_04 – Extremely Distressed Properties Enforcement Program

Package Summary:

In the fall 2011 Budget Monitoring Process, in response to chronic property maintenance violations at some properties in the city due to the prolonged recession and mortgage-related foreclosures, City Council approved one-time General Fund support to BDS for a Senior Housing Inspector position to implement

EDPEP (Extremely Distressed Properties Enforcement Program). EDPEP focuses on un-maintained properties (often caused by abandonment due to foreclosures) with chronic nuisance and housing conditions that create risks of fire, public health hazards, and encourage criminal activity such as trespass, vandalism, graffiti, drug use and sale, prostitution, and additional serious public safety threats.

EDPEP enforces the City's Property Maintenance Regulations and uses the abatement, vacation, and demolition of property as a key tool. EDPEP provides a vital city service to relieve pressure on the Police Bureau and other City agencies. EDPEP also proactively monitors properties to ensure that conditions are maintained and pursues additional abatements to resolve any recurring conditions. This package continues \$96,402 in one-time General Fund support for this critical neighborhood livability program.

Update

There are currently 30 EDPEP enforcement cases being pursued and an additional 50 properties have been referred to the program and are awaiting follow-up. In 2012, 10 EDPEP enforcement cases were resolved, 21 Code Hearing actions were held, 15 properties received vacation orders, and six demolition orders were issued.

DS_05 – Citywide Tree Project

Package Summary:

In support of the implementation of the Citywide Tree Project, in FY 2011-12 City Council approved one-time General Fund support for a Program Coordinator position in BDS. The position performs tasks that are critical to enabling BDS and the Parks Bureau to administer the new code, including process mapping;

development of brochures, application forms, and training materials for internal and external customers; website design and content; development of a code amendment package; public outreach; and coordination with programmers on incorporating tree permitting and code requirements into the existing permit database system.

Phase I of the Citywide Tree Project commenced in July 2011, and phase II is scheduled to be implemented beginning in February 2013. As was recognized by City Council previously, a great deal of

work remains to be done to prepare for the 2013 effective date. The continuation of \$144,882 in one-time General Fund will support this position and help ensure a timely and smooth implementation of the new code.

Update

The full-time, limited-term one-year Program Coordinator position was filled in August 15, 2011 with an original anticipated end date of August 14, 2012. This position was extended for a year to August 14, 2013 due to the volume of work that must be completed prior to implementation of the Citywide Tree Code in July 2013.

Status update:

- As part of the FY 2012-13 Budget, City Council agreed to delay implementation of Phase II of the Citywide Tree Code from Feb. 1, 2013 to July 1, 2013.
- Code Amendments -
 - Public outreach was completed, and public hearings before the Forestry Commission and the Planning & Sustainability Commission were held to consider the proposed amendments to Title 11 and Title 33.
 - The public hearing at City Council to consider the amendments to Title 11 and Title 33 was held on September 19, 2012. The City Council will vote on these amendments the week of September 24th.
 - City Council adopted the proposed Housekeeping Amendments on September 19, 2012
 - A new Tree Code implementation phasing proposal drafted and currently under review by BDS and Parks
- Planning Outreach, Education, and Training -
 - An interagency group of Public Information Officers has been convened, and are working with the Program Coordinator to draft an Outreach Plan.
 - The Program Coordinator is also drafting a Training Plan, for internal and external training.
 - New Citywide Tree Website - Initial "outline/skeleton" of the website (identifying the tabs on the main page) completed. Currently compiling existing brochures and website info (BDS and Parks and BES) related to trees; all existing application forms (BDS and Parks) related to tree removal, tree planting, tree pruning, etc.; and commonly asked questions from customers, and drafting what the answers are under the new regulations.
 - The Tree Website home page is completed and tree code regulations for permits in non-development situations available on the website. Tree care information is also programmed including information on how to care for your tree, prune, and plants is available. Links to applications and permit procedures are also completed and posted.
 - A Tree Code forms team has been assembled to review and edit new and revised brochures that will be distributed to the public. These brochures will be used for training customers and made available to view and print on the new tree website. Several drafts

have been written and reviewed on both tree code and amended zoning code requirements.

- Internal documents such as decision templates, and standard operating procedures are drafted and being tested by BDS staff including procedures for reviewing development permits for new single family construction.
- Processes and Tools and the Development of Monitoring Systems
 - Process mapping - Completed process mapping for Type A and Type B Tree Removal Permits, tree questions when the tree is regulated by Title 33 overlay zones or plan districts, and street tree pruning.
 - Several instruction guides for staff to help them navigate the new code and assist customers, to ensure the right questions are asked, and consistent steps taken
 - TRACS Programming Project - Staff are scoping the computer programming work needed for the Type A and B Tree Removal Permit folders in TRACS, as well as the changes that need to be made to the Residential and Commercial Building Permit Folders in TRACS. Part of these changes in TRACS are adding the mechanisms to collect data necessary for monitoring the new Citywide Tree Code.
 - Online Tree Pruning Permits - September 19, 2012, began implementing the new online Tree Pruning Permit system.

TRACS Programming Project:

As of March 13, 2013 the online pruning permit system is fully integrated with TRACs eliminating manual entry of applications received online.

Programming the new A/B permit system is well underway and scheduled to be completed this summer 2013.

Data collection programming was completed in November and tree planting and preservation data is currently being collected for or new residential development to create a before and after comparison once the new regulations take effect.

- Inspection protocols are under development to determine what situations and how frequently an inspection will be conducted during development and land use reviews. TRACs programming is currently being mapped.
- Fee schedules are under development for new permit types and new reviews
- The after hours tree hotline is now available allowing residents to call and report a suspected tree violation after hours and on weekends.

Capital Program Status Report

Bureau of Development Services

CIP Program	FY 2011-12 Adopted Budget	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Variance \$	Variance %	FY 2012-13 Adopted Budget	Spring BuMP Revised Budget	FY 2012-13 Year to Date Actuals	Variance \$	Variance %
Special Projects	\$0	\$0	\$445,077	\$445,077		\$3,680,172	\$3,680,172	\$288,840	\$0	0%
Total	\$0	\$0	\$445,077	\$445,077	0%	\$3,680,172	\$3,680,172	\$288,840	\$0	0%

* Prior Year variances compare Year-End Actuals to Revised Budget
 ** Current Year variances compare Revised Budget to Adopted Budget

Prior Year Variance Description

Current Year Variance Description

The Information Technology Advancement Project is currently in active contract negotiations with the Apparent Successful Vendor Sierra Systems. The City and Vendor contract negotiation teams are nearing agreement on the Sierra Systems project implementation contract and scope of work addendum and the software licenses contracts with Infor Hansen, permit and case management software, and Avolve ProjectDox, electronic plan review software. Signing of the contracts is estimated to occur mid-April 2013. The ITAP Team continues to work on business process improvement, current software system data clean up, and GIS solutions for BDS addressing and property model needs in preparation for the formal ITAP project to start. Several other smaller projects are also being managed by the ITAP team to ensure that the City is ready for vendor arrival.

Business Area Projection Report

	Spring BuMP Revised Budget	FY 2012-13 YTD Actuals Thru AP8	Spring BuMP Year-End Projection	% of Projected Actuals to Revised Bud
Bureau of Development Services				
EXPENDITURES				
Unappropriated Fund Balance	\$3,442,377	\$0	\$16,541,478	481%
Personnel Services	\$22,348,872	\$13,801,517	\$22,302,130	100%
External Materials and Services	\$3,181,645	\$784,990	\$3,152,662	99%
Internal Materials and Services	\$7,308,043	\$4,109,363	\$7,308,043	100%
Capital Outlay	\$65,000	\$8,563	\$65,000	100%
Bond Expenses	\$897,336	\$155,110	\$897,336	100%
Fund Transfers - Expense	\$835,401	\$566,655	\$835,401	100%
Contingency	\$3,266,038	\$0	\$0	0%
TOTAL EXPENDITURES	\$41,344,712	\$19,426,198	\$51,102,050	124%
REVENUES				
Budgeted Beginning Fund Balance	\$6,144,097	\$0	\$10,219,090	166%
Licenses & Permits	\$19,748,569	\$16,644,283	\$22,854,165	116%
Charges for Services	\$7,380,481	\$6,565,972	\$9,057,247	123%
Intergovernmental Revenues	\$21,000	\$0	\$0	0%
Interagency Revenue	\$1,006,400	\$811,342	\$1,010,400	100%
Fund Transfers - Revenue	\$2,310,211	\$1,531,019	\$2,310,211	100%
Bond and Note	\$3,026,079	\$0	\$3,026,079	100%
Miscellaneous	\$1,707,875	\$1,529,792	\$2,624,858	154%
TOTAL REVENUES	\$41,344,712	\$27,082,407	\$51,102,050	124%

Bureau Projection Narrative

The differences in Budgeted Ending and Beginning Fund Balances are due to higher than anticipated revenue collections in late FY 2011-12 and FY 2012-13. In FY 2012-13 the bureau revenues were higher than projected due to better than anticipated recovery in construction activity in Portland Metropolitan area, especially in multi-family apartment construction.

Fund Projection Report

	Spring BuMP Revised Budget	FY 2012-13 YTD Actuals Thru AP8	Spring BuMP Year-End Projection	% of Projected Actuals to Revised Bud
Development Services Fund				
EXPENDITURES				
Unappropriated Fund Balance	\$3,442,377	\$0	\$16,541,478	481%
Personnel Services	\$22,338,872	\$13,800,505	\$22,302,130	100%
External Materials and Services	\$3,175,645	\$785,448	\$3,152,662	99%
Internal Materials and Services	\$7,308,043	\$4,109,363	\$7,308,043	100%
Capital Outlay	\$65,000	\$8,563	\$65,000	100%
Bond Expenses	\$897,336	\$155,110	\$897,336	100%
Fund Transfers - Expense	\$835,401	\$566,655	\$835,401	100%
Contingency	\$3,266,038	\$0	\$0	0%
TOTAL EXPENDITURES	\$41,328,712	\$19,425,643	\$51,102,050	124%
REVENUES				
Budgeted Beginning Fund Balance	\$6,144,097	\$0	\$10,219,090	166%
Licenses & Permits	\$19,748,569	\$16,644,283	\$22,854,165	116%
Charges for Services	\$7,380,481	\$6,565,972	\$9,057,247	123%
Intergovernmental Revenues	\$5,000	\$0	\$0	0%
Interagency Revenue	\$1,006,400	\$811,342	\$1,010,400	100%
Fund Transfers - Revenue	\$2,310,211	\$1,531,019	\$2,310,211	100%
Bond and Note	\$3,026,079	\$0	\$3,026,079	100%
Miscellaneous	\$1,707,875	\$1,529,792	\$2,624,858	154%
TOTAL REVENUES	\$41,328,712	\$27,082,407	\$51,102,050	124%

Fund Projection Narrative

The differences in Budgeted Ending and Beginning Fund Balances are due to higher than anticipated revenue collections in late FY 2011-12 and FY 2012-13. In FY 2012-13 the bureau revenues were higher than projected due to better than anticipated recovery in construction activity in Portland Metropolitan area, especially in multi-family apartment construction.