



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

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BDS Budget/Financial Update for DRAC
May 15, 2014

Cost Recovery

BDS's cost recovery rate continues to be strong. For March 2014, the cost recovery rate was 146%, and it stands at 132% cumulatively for the current fiscal year (July 2013 – March 2014). When ITAP costs are figured in, the cumulative rate is 119%. Bureau reserves remain healthy.

Budget Update

The Mayor's Proposed Budget for FY 2014-15 was released on May 1, 2014, and included the following budget decision packages for BDS:

Neighborhood Inspections / Enforcement - In FY 2013-14 BDS received one-time General Fund support for two positions: a Senior Housing Inspector position to implement the Extremely Distressed Properties Enforcement Program (EDPEP) and a Housing Inspector position to address housing and nuisance complaints throughout the city. This package continues those positions, but stipulates that one-time funding for FY 2014-15 will come from BDS internal resources, rather than the City's General Fund.

Tree Code Project - This package transfers \$198,513 from Special Appropriations to BDS for an Associate Planner position to support the implementation of the City's Tree Code. The resources will be split between BDS and the Bureau of Parks and Recreation, and will include:

- \$14,600 in General Fund ongoing
- \$183,913 in General Fund one-time

RICAP (Interagency Agreement) - In FY 2013-14, the City Council approved an interagency agreement (IA) transferring funds from BDS to the Bureau of Planning and Sustainability (BPS) to support Zoning Code rewrites through the Regulatory Improvement Code Amendment Packages (RICAP). For FY 2014-15, this decision package continues the IA, transferring \$235,452 in funds to support 2.5 FTE in BPS.

Proposed Fee Changes

For FY 2014-15, **most BDS fees will not change**. There are a few housekeeping items that BDS will take to City Council via ordinance on Wednesday, May 21, 2014 at 10:00 a.m. (time certain). The changes involve a few specific fees in the following fee schedules: Building and Other Permits; Sign, Awning Permit and Registration; and Enforcement Fee and Penalty:

Building and Other Permits Fee Schedule - The Energy Plan Review Fee and Express Start Program Fee are being **eliminated**.

Sign, Awning Permit and Registration Fee Schedule – A new Sign & Awning Plan Review section specifies a maximum of two (2) allowable checksheets and a \$175 fee for each additional checksheet beyond the maximum, to match language in the Building and Other Permits Fee Schedule.

Enforcement Fee and Penalty Schedule

- The Failure to Allow Enhanced Complaint Inspection fee is being **eliminated**.
- The Administrative Review Appeal Fee is increasing by \$30 (from \$1,288 to \$1,318) to match the amount charged to BDS by the City Code Hearings Office.
- The Tow Warrant Inspection Fee is increasing by \$74 (from \$386 to \$460) to match the Work Order Inspection Fee charged for nuisance cases, which require the same number of inspections as disabled vehicle cases.
- As required by Oregon House Bill 2978, an Investigation Fee of \$95 per hour is being created for investigative inspections when work is commenced without permit. BDS had previously charged the equivalent of the required permit fee.
- A Stop Work Order Penalty of \$500 is being added to the fee schedule. City Council is considering changes to PCC Section 3.30.080 clarifying that BDS has the authority to impose a penalty when a stop work order is issued for commencing work without a required permit (2nd reading was scheduled for May 14, 2014).