



CITY OF

PORTLAND, OREGON

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MEMO

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To: Paul Scarlett

From: Dan Saltzman

FY 2016-17 Budget Direction for the Bureau of Development Services

I am excited to partner with BDS in working with this year's BDS Budget Advisory Committee as you prepare your fiscal year (FY) 2016-17 budget request. I am ready to work with you to move the bureau closer to the goal of providing the highest level of services to neighborhoods, permit applicants, the development industry, and Portland's residents.

The continued strong growth in the local construction industry coupled with BDS's conservative spending has enabled the bureau to build healthy financial reserves and add staff in response to increased workloads, while avoiding increases to almost all bureau fees over the last two years. At the same time, BDS has undertaken multiple internal processes designed to strengthen the bureau and improve communication and morale. I commend you for all your work on behalf of the bureau as well as your customers, stakeholders, and the community.

I want to highlight several priorities that I believe will be key for the bureau as you develop your FY 2016-17 budget:

1. Continue to carefully monitor fee increases

I am pleased that BDS's strong financial standing has allowed the bureau to hold most fees steady for the last two fiscal years, and I know that both the Development Review Advisory Committee (DRAC) and the BDS Budget Advisory Committee (BAC) have been supportive of these efforts. I encourage you to continue to closely review fees, staffing levels, and bureau reserves with the goal of avoiding increases and even reducing fees where possible.

2. Continue to pursue General Fund support for local code enforcement programs

While fee revenues are strong, those funds cannot be used to support the Neighborhood Inspections Program and portions of the Land Use Services Program, which enforce sections of Portland City Code. These programs provide important services to the community by enhancing neighborhood livability and safety, maintaining the City's housing stock, stabilizing or improving property values, and implementing the City's policy goals. They also support the City's equity goals by assisting underserved populations, such as low income renters. It is therefore appropriate that they receive support from the City's General Fund. The DRAC, BDS BAC, and the BDS Labor Management Committee (LMC) have consistently expressed support for maintaining and increasing General Fund support for these programs, and I encourage you to continue pursuing General Fund support.

3. Strategically add fee-supported positions as needed

BDS has added numerous fee-supported staff positions over the last few years in order to keep up with increasing workloads. While I know you do not anticipate needing to add significant positions in FY 2016-17, I do encourage you to carefully examine workloads, staff levels, and performance data to determine if additional positions may be needed.

4. Fully budget for implementation of the Information Technology Advancement Project (ITAP)

The eventual success of ITAP is one of my highest priorities for BDS in the coming years. It is critical that sufficient funds are budgeted to ensure the project's success and I look forward to working with you and your team in further refining the resources needed for that success.

5. Effectively follow-up on organizational initiatives

In 2014 and 2015, BDS has undertaken multiple processes to strengthen itself organizationally and provide direction for the future, including an employee survey, an organizational assessment, and completing an existing strategic plan. Budget planning for FY 2016-17 should factor in staff time and resources that will be required to follow-up on these processes and implement organizational changes.

BDS has established a reputation for excellent customer service, innovation, and labor/management collaboration. Along with you, I remain committed to the goal of making Portland's Bureau of Development Services the best development agency in the country.