

FY 2015-16 Budget Advisory Committee Report

Bureau of Development Services

January 27, 2015

In November 2014, the Bureau of Development Services (BDS) convened a Budget Advisory Committee (BAC) to review and give input to its fiscal year (FY) 2015-16 Requested Budget. In accordance with direction provided by the City Budget Office, we, the members of the BDS BAC, are submitting this summary of our work and our recommendations regarding BDS's Requested Budget.

I. BAC Members

The BDS BAC is composed of representatives from the Development Review Advisory Committee (DRAC, the bureau's standing advisory board), neighborhood/community stakeholders, the development industry, the BDS Labor Management Committee (LMC), and BDS non-represented employees. BAC members and affiliations include:

DRAC

- Maxine Fitzpatrick
- Maryhelen Kincaid

Community

- Cristina Palacios / Justin Buri, Community Alliance of Tenants
- Steve White, Oregon Public Health Institute

Industry

- Susan Steward, Industry (Building Owners & Managers Association)

BDS Employees

- Lisa Dibert
- McKenzie James
- Connie Jones
- Paul Scarlett
- Rachel Whiteside
- Matt Wickstrom

II. Summary of Activities

The BAC met with BDS managers and budget staff five times between November 2013 and January 2014. Our work in these meetings included:

- Becoming acquainted with the City's budget requirements and processes;
- Reviewing and discussing the City's and bureau's budget goals;
- Reviewing BDS's financial status, including current revenues and expenditures, the bureau's reserve fund, and financial projections for the next five years;
- Reviewing various budget proposals from BDS; and
- Providing recommendations regarding budget decisions.

III. BAC Recommendations Regarding BDS's Requested Budget

After reviewing BDS's mission, strategic goals, financial status, funding sources, and proposed budget decisions, we agreed on the following recommendations related to BDS's Requested Budget:

1. We endorse BDS's budget goals.

We found BDS's budget goals to be in alignment with the bureau's mission and vision, and we fully endorse them:

- Equity – organizationally and in service provision
- Provide adequate staffing levels
- Secure adequate General Fund support for local code programs
- Expand access to services
- Utilize advanced technology to better meet customers' and the community's needs
- Maintain fiscal sustainability
- Workforce planning/training

2. We endorse BDS's commitment to equity.

At BAC meetings we discussed the bureau's equity goals and current efforts related to recruitment and hiring, workforce development, public outreach, and code enforcement practices. We support BDS's efforts to instill a vision for equity throughout the organization.

We are encouraged that BDS views equity not as a standalone program, but as a cultural change effort that weaves throughout the bureau's organization and into every program and service.

3. We endorse BDS's key performance measures.

We have reviewed BDS's key performance measures, and we believe they are relevant to the bureau's budget goals and provide information that helps guide budget decisions.

4. We endorse the fee-supported Decision Packages in BDS's FY 2015-16 Requested Budget because they align with the bureau's budget and equity goals.

BDS has demonstrated that due to continuing workload increases from a strong construction industry, significant gaps remain in service levels exist that lengthen the development review process. The bureau is also proposing to strategically add staff to strengthen its outreach, education, and customer service functions, addressing equity goals.

BDS's 5-Year Financial Plan projects that the bureau will have sufficient fee revenues to support these positions through the next five years.

Decision Package 1 – Development Services Center Improvements – This package will address equity and customer service goals by providing staff specifically to assist customers who are unfamiliar with permitting and inspection processes.

Decision Package 2 – Improve BDS Service Level – This package will add needed staff positions in Inspections, Site Development, and Land Use Services to address gaps in service levels and respond to a workload that continues to increase along with the construction industry.

Decision Package 3 – Community Service and Outreach – This package will address equity goals by adding positions to strengthen BDS's public outreach and education, public engagement, and customer service efforts.

5. We endorse the General Fund Decision Packages in BDS's FY 2015-16 Requested Budget because they align with the bureau's budget and equity goals.

In addition to its work with State building codes, BDS enforces Title 29 of City Code (Property Maintenance Regulations) through its Neighborhood Inspections Program. The program protects the health, safety, and welfare of Portland citizens by helping to prevent the deterioration of existing housing and by contributing to vital neighborhoods. The program enforces minimum standards for the maintenance of residential structures, regulates derelict buildings, and also addresses exterior maintenance issues for non-residential structures.

State law prohibits BDS from using permit revenues to support local code enforcement programs. In addition, the City Council and community advisory groups (Quality Rental Housing Workgroup and Neighborhood Inspection Team Stakeholder Advisory Committee) have recommended against recovering program costs from fees and penalties alone.

The City Council has recognized that the services provided through the Neighborhood Inspections Program are critical to the community as they enhance neighborhood livability and enforce regulations that protect public health, safety, and property values. Over the last few years, BDS has received a mixture of ongoing and one-time General Fund support for various positions in the Neighborhood Inspections Program.

We therefore endorse the following budget Decision Packages:

Decision Package 4 – EDPEP (Extremely Distressed Properties Enforcement Program) – This package addresses equity goals and helps ensure safe housing and neighborhoods by renewing one-time General Fund support for a Limited Term Senior Housing Inspector position to administer EDPEP. This Decision Package also includes \$50,000 in funds for nuisance abatements related to EDPEP.

EDPEP is directed toward un-maintained properties (often caused by abandonment due to foreclosures) with chronic nuisance and housing conditions that create risks of fire and public health hazards. These properties encourage criminal activity such as trespassing, vandalism, graffiti, drug use and sale, prostitution, and additional serious public safety threats. EDPEP 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.

Decision Package 5 – Enhanced Inspections – This package addresses equity goals and helps ensure safe housing and neighborhoods by supporting the expansion of the Enhanced Rental Inspections Program into North and Northeast Portland.

Since FY 2012-13, BDS has received General Fund support for the Enhanced Rental Inspections Pilot Program in outer Southeast Portland. This program helps create equitable housing options for Portlanders and provide safe, healthy housing conditions for the City's low-income renters. The Southeast Portland pilot has been very successful; the Oregon Public Health Institute's Health Impact Assessment of 2012 found that the program had greater potential than BDS's standard inspection model "to contribute to improved health and health equity" of rental housing residents (<http://www.healthimpactproject.org/resources/rental-housing-and-health-equity-in-portland-oregon-a-health-impact-assessment-of-the-citys-rental-housing-inspections-program>). We believe it would be of great benefit to the community to expand the Enhanced Rental Inspections Program into North and Northeast Portland.

Decision Package 6 – Nuisance Abatement – This package addresses equity goals and helps ensure safe housing and neighborhoods by providing sufficient funds for BDS to abate all cited nuisance conditions at occupied properties, including tall grass and weeds. During the recession, BDS made deep cuts to its nuisance abatement services due to reductions in funding and staff. Services have been gradually restored as General Fund support has increased, but there has not been sufficient funds to support abatements of all nuisances, such as tall grass and weeds in the summer. This package would add \$50,000 in nuisance abatement funds, supporting abatement of all nuisance conditions.

Decision Package 7 – Land Use Services – This package addresses equity and service level goals by providing funds for two Limited Term positions in BDS's Land Use Services Division. These positions will provide a number of outreach and equity services, including:

- Enhanced assistance to land use customers and community members in the Development Services Center.
- Public outreach and training regarding land use codes and processes.
- Assistance to customers seeking to legalize unpermitted work.
- Outreach at community events, schools, and job fairs.
- Partnering with the Bureau of Planning & Sustainability on outreach and education efforts.

BAC Members

Lisa Dibert, BDS

Maxine Fitzpatrick, Development Review Advisory Committee

McKenzie James, BDS

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