



City of
PORTLAND, OREGON

Development Review Advisory Committee

DRAC Service Levels Subcommittee
MINUTES
Thursday, July 14, 2016

Subcommittee Members Present:

Rob Humphrey
Justin Wood

City Staff Present:

Paul Scarlett, BDS
Deborah Sievert Morris, BDS
Cathy Henson, BHR
John DiGrazia, BHR
Kurt Krueger, PBOT
Elisabeth Reese Cadigan, BES
City Dietz, PWB
Nancy Thorington, BDS

Subcommittee Members Absent:

Maryhelen Kincaid
John Hasenberg
Mitch Nickolds
Matt Rozzell

Handouts

- Major Workload Parameters
- Priority Service Levels and Solutions
- Workload/Service Level Strategies Update

Welcome

BDS Director Paul Scarlett welcomed subcommittee members and City staff.

Convene Meeting

Rob Humphrey convened the meeting and welcomed subcommittee members and guests. He initiated introductions of all those present.

Discussion of Subcommittee Purpose and Goals

Deborah Sievert Morris (BDS) facilitated a discussion on the purpose and goals of the subcommittee.

Paul noted that this is the first time BDS, DRAC and our agency partners have met specifically to discuss service levels and impacts on the construction industry. He noted that BDS is aware of the challenges to the industry and stated that we want to provide the best service levels we can. He noted the challenges BDS and its partners have been having in providing service levels based on the number of applications that BDS has been receiving over a long period of time. With respect to whether there are options for increasing staff faster, Paul said BDS is not able to hire staff fast enough to keep up with the service needs. BDS has the funds, but we are competing with other jurisdictions to hire from the same applicant pool.

With respect to gaining ground on pre-issuance of permits, Paul noted that as soon as we get one batch of permits processed, a new stack of even more permits comes in. Some of the solutions BDS has implemented to address the backlog include offering overtime, seeking the State's assistance with plan review and working on contracts for outside help. BDS has had a sustained increase in workload over the course of the past few years that has made it impossible to catch up.

Because BDS recognizes the negative impact on its customers, we wanted to work with this Subcommittee to see if there are other options or things BDS could do differently or not do to address the backlog. Paul wants to get some suggestions that we could report back to the full DRAC.

Rob Humphrey noted that everyone is feeling the crush of work with not enough staff. When everything is a priority, nothing is a priority. Faster Permits has managed 100's of 1,000's of permits in 26 years, so they have a unique perspective regarding BDS and the agency partners. It's not just the building industry that is suffering – homeowners and others are suffering because they can't get permits either. Even though there have been some strides in addressing the life-safety review backlog, the City is out six weeks for the initial review, then there is a checklist issued. Instead of a processing time of a few months, it's now four to six months.

Rob said BDS is not nimble enough. It needs to be able to grow and contract at the pace of industry and the economy. Although it's not possible for BDS to work like private industry, he has heard of some possibilities from staff and others of possible options. Something has to be possible to address the situation, and he would like this

subcommittee to be a safe and efficient environment for staff to voice their potential solutions. Are they viable? If so, how do we implement them?

Paul indicated that we now have a full-time employee from the Bureau of Human Resources (BHR) assigned to BDS to assist with hiring that BDS is paying for.

Rob said that was a great move in the right direction, but noted it's more of a process issue, not just lack of staff.

Mitch noted that there are a limited number of reviewers, but design changes made while the permit is in process hurts timelines.

Rob asked if BDS was competitive with respect to salaries and/or timewise for the hiring process. He has heard the time it takes for BDS to hire and the pay are not competitive with other local jurisdictions. For example, he has heard that Washington County hires faster and pays more than Portland.

Kurt said the last two years is the first time he's seen applicants asking for the highest level of pay. He noted that he recently had a position open, and discovered that other jurisdictions can hire people faster. It takes six weeks to get an old list and try to get a person hired.

Deborah indicated that BDS has tried to make the hiring process faster, but the average time is still 14 weeks from start to finish. Most positions are represented positions, so there are certain procedures we have to follow. She indicated BDS is looking at every opportunity for recruitments.

Kathy asked about split shifts. Is space an issue? Deborah stated that BDS has just leased space at CH2M Hill offices next door for meeting rooms, etc.

Rob asked how we could shave a little off the 14 weeks it takes to hire. BDS should approach the situation as a crisis. Which pieces are mandated? If they are not mandated, where are efficiencies? Move closer to expanding staff to reflect demand. Has anyone thought of ways to increase efficiencies?

Kathy wondered who does review for qualifications. Per Deborah we do it ourselves. Deborah noted that electronic signing by applicants has helped make the process faster. Space is also an issue. BDS can't conduct interviews and meetings at the same time. Some of the other issues are outreach, recruitment and the civil service process. Some things can be streamlined, but not if it mandated by the City Charter. We seek to get broad interview pools, and still have to conduct background checks. There requirements are not the same as private companies.

Per Justin, there are not enough inspectors in the eligible pool of applicants. Deborah said BDS is trying to be proactive, but long term we are looking for other options.

Justin said that other jurisdictions have partnered with local high schools. Deborah indicated that BDS looking to do that as well. Mitch stated that BDS is looking at starting

an apprentice program, but there are challenges with that option because the candidates have little or no experience. This is a problem because of the new State certification rules.

Kurt asked Justin how long it currently takes to build a house. Justin said it takes about nine months, but he also can't find subcontractors. The issue with qualified workers is not just confined to the permitting process. He asked whether we should just be honest regarding the timelines. Per Paul we have been, but we need to do it more frequently. Per Rob, every schedule is different, and each team of reviewers is different. For example, if you get the "A" team of experienced reviewers, the review time could be as little as six weeks. But if you get the "B" team of newer employees, it could take months to get the permit. It is impossible to predict. He's seen it take 20 weeks for a tenant improvement. Mitch indicated that more than one third of BDS employees have less than three years' experience. It takes more time to get up to speed. Maybe we could have the experience spread throughout each of the units.

Kurt noted that the new construction excise tax and inclusionary zoning requirements will also increase the processing times. Rob commented that the City Council has compounded the problem. He thinks they should do things in a planned manner and should vet the roll out with affected bureaus and stakeholders.

Justin said that an important piece is the internal BDS process. A customer can submit one set of plans, then resubmit similar plans and get different corrections. He asked why we can't have the same people and the same corrections for efficiency. Rob said it's just a "free-for-all." He thinks the designs being submitted are not as professional as they have been in the past, but efficiency in hiring process is where he thinks we can see the most results. He would like to recognize the City's efforts so far and wants to know what else can be done.

Elizabeth indicated there is an open and continuous recruitment for the engineering classification that will hopefully expand the applicant pool. Kathy noted the "open and continuous" category is a newer strategy available. It is more of an investment than a one-time recruitment, and BHR doesn't like it. Kathy said we can open the recruitment and get applications through the deadline, but keep the recruitment open. We usually do get maximum number of applicants for the recruitments. An option is to open the recruitment, set a first review date, but still accept applications after that date, with the initial applications getting preference. She also noted the City does have veteran's preference to consider as well.

Kurt heard that Clackamas County pays better than Portland. He asked if BHR could check and do a targeted survey of compensation in the Metro area. Kathy noted that, if it is a represented position, we need to bargain. Deborah said the City did an informal survey and found we were competitive. The challenge is the private sector; although we compare to other jurisdictions, we are not competitive with the private sector.

Justin asked who makes the determination if the person is in the pay range for the class where they are hired. Kathy responded that certain positions have to start at the

bottom because of the unions. The City is looking to change that. If the employee is COPEA or non-represented, then the City can hire above the bottom of the class.

Rob would like to ask about the impact of the "silo effect" with the bureaus and how the process is different in each bureau. Is everyone "playing in same sandbox"? Paul said that the process is similar among the bureaus. The priorities and how things are paid for is different. He said we should look more holistically at the process, and he told current and incoming mayors to work together with partner agencies. We can't control how those agencies are operated. One problem is we need to have adequate staff as a package to process permits more quickly.

Rob said we need to alter the long-term processes to be more malleable. He asked if there was a concept where the private sector could lend the City bodies for busy times. Kurt said he was working on that concept. Mitch stated that if applicants put in more effort at preconstruction stage to keep information that they submit accurate that would help minimize necessary work. Raising the level of accuracy required for customers when they submit their documents could help change culture and dynamic.

Justin asked if a survey could be sent to ask City employees for information regarding pinch points on the process and solicit staff suggestions on improvements. Kurt noted that the number of staff is issue and morale is low. Justin said he and Rob have heard suggestions and comments from employees, which is why he would like to have a survey.

Next Steps

Rob indicated that, if anyone has information or suggestions, please send it to Rob, so can be included in dialogue now.

Next Subcommittee Meeting:
TBD