



City of Portland, Oregon
Bureau of Development Services

Office of the Director

FROM CONCEPT TO CONSTRUCTION

Dan Saltzman, Commissioner
Paul L. Scarlett, Director
Phone: (503) 823-7308
Fax: (503) 823-7250
TTY: (503) 823-6868
www.portlandoregon.gov/bds

MEMORANDUM

November 16, 2016

To: BDS Budget Advisory Committee (BAC)
BDS Employees
BDS Labor Management Committee (LMC)
Development Review Advisory Committee (DRAC)

From: Paul L. Scarlett, Director *PLS*

Subject: **BDS Budget Goals for Fiscal Year (FY) 2017-18**

The Bureau of Development Services (BDS) mission is to promote safety, livability, and economic vitality through the efficient and collaborative application of building and development codes. We are responsible for administering and enforcing twelve State and seventeen City Codes. Currently, BDS has approximately 330 employees housed in five divisions: Inspections Services, Permitting/Plan Review Services, Land Use Services, Public Information and Enforcement Services, and Business Operations & Finance Services/Director's Office. About 96% of BDS revenues come from permit and other fees, with the City's General Fund making up the remaining 4% of the bureau's budget.

As in past years, we will include the participation of bureau staff, customers, stakeholders, and the community in the development of our annual budget. We rely on assistance from all these participants in identifying priorities and recommendations for the continued improvement and success of the bureau. All of these various input will inform and shape our budget planning process.

BDS's Financial Standing

In 2016, bureau revenues have continued to increase significantly as the construction industry experiences further growth. Our cost recovery rate for FY 2015-16 (July 1, 2015 – June 30, 2016) was 141%, and has been at 136% for the first three months of FY 2016-17. This has allowed us to rebuild our financial reserves to healthy, prudent levels; add staff to respond to the rapidly increasing workload; and proceed with a major information technology upgrade.

BDS Long-Term Operational Strategy

To successfully provide excellent and equitable programs and services, we operate in a fiscally sustainable manner. To do this we balance several strategy goals:

- Provide staffing sufficient to meet the needs of customers, stakeholders, and community members;
- Maintain prudent financial reserves to cushion against economic downturns;
- Pursue and maintain cost recovery for services whenever appropriate;
- Set reasonable fees and keep fee increases as low and gradual as possible;
- Establish and achieve equitable and workable service level goals;
- Ensure programs and services are effective, efficient, and equitable

Over the last few years, we have been focused on adding staff positions to address the growing workload. For FY 2017-18, a key priority will be leveraging the resources needed to fill the remaining vacant staff positions. In addition, we will focus on analyzing and improving our operations through achieving the budget goals identified below.

Budget Goals

Our budget request for FY 2017-18 will be structured in order to best help us achieve these budget goals (expanded descriptions follow):

- Enhance access to services and programs
- Workforce development and training
- Equity – internal and external service delivery
- Leverage advanced technology

Focusing on these goals will drive our quest to be the best development services agency in the nation.

1. Enhance Access to Services & Programs

We want to create more effective means for customers, employees, stakeholders, and community members to communicate ideas and have collaborative interaction with bureau leaders and with one another. In addition, we want to research and pursue other ideas to improve the various ways in which customers and stakeholders interface with our staff and services such as the bureau's website, written materials, and phone call interactions. Examples of this work include our Customer Call Center, which answers calls to main bureau phone lines live, rather than with voicemail; and the reinstatement of our customer and community satisfaction surveys.

2. Workforce Development and Training

BDS's significant staffing and organizational changes over the last several years (rapid reductions during the recession, followed by rapid re-growth during the recovery) have highlighted the importance of workforce development and training in ensuring BDS staff are effective and productive. First, approximately 10% of BDS employees are eligible for retirement now and about 24% could retire within 5 years. Addressing this reality will require increased efforts in several areas, including ensuring equitable outreach, recruitment, and hiring processes; outreach to high school and college students regarding career path opportunities; development of future leaders and plans for succession to management, leadership, and technical positions; and relevant training for current employees. In addition, the large number of new staff present an ongoing need for training and career development support.

3. Equity – Internal and External Service Delivery

As referenced in many of the other budget goals, we are committed to pursuing equity in our staffing, our programs and services, and our interactions with customers and the community. Specifically, we seek to expand educational and training opportunities in equity issues for staff; and seek to improve our outreach and accessibility, particularly to underrepresented and disadvantaged communities. We are currently in the process of implementing an Equity Roadmap that will guide our equity work over the next 5 years.

4. Leverage Advanced Technology

We are continuing work on implementing our Information Technology Advancement Project (ITAP). ITAP is a web-based system that will allow 24/7 online access to BDS's records and services, greatly enhancing the level of technology in the development review process while improving public access to information. In addition to ITAP, I remain committed to providing technology solutions that meet customer and workplace needs. I encourage you to think about ways that technology can better serve the bureau's goals and the needs of staff, customers, and the community.

I appreciate the time and energy that you will dedicate to our bureau's budget planning process and recommendations. Our budget process is just one way that we are working to build and foster strong working relationships with the community, employees, industry, and stakeholders.

Thank you very much for your support and input.