

PBOT Fee Changes FY 2019-20

Summary

Major changes underlying all permit rates include the bureau's overhead rate, salaries and benefits. PBOT's overhead rate increased from 76.76% to 80.85% for the upcoming fiscal year. Overhead is based on prior-year actual costs and may shift in future years depending on where costs are incurred. Salaries and benefits reflect upcoming cost of living adjustments for both represented and non-represented staff, as well as rising PERS costs.

Fee Calculation Methodology

Development Review fees continue to utilize a methodology devised by Deloitte & Touche in 1991. Each fee type incorporates a standard set of hours for land use planners, engineering technicians and DRD supervisors. Hours are multiplied by the actual rates for the staff involved, inclusive of benefits, accrued leave time and bureau overhead. The exception to this methodology is Building Plan Review, which incorporates a sliding scale based on valuation, similar to other BDS fees.

The fee calculation methodology, including the hours required to complete each permit type, has not been substantially updated in nearly three decades. DRD and PBOT finance have commenced a comprehensive review of the existing fee structure. For FY 19-20, finance staff engaged DRD managers to review the assumptions underlying the current level of effort for each permit type. Adjustments were based on management experience with each permit.

Changes for FY 19-20

Most fees are increasing by between 8 and 11%, reflecting the impact of COLA, benefits and overhead rate adjustments required to maintain cost recovery.

Several permit types saw their standard hours adjusted based on our qualitative workload review. Most of those adjustments impacted Type III reviews, which have grown in scale and complexity since the original methodology was developed. In addition, Type III reviews now require additional planner and supervisor attendance at meetings and public hearings; these changes are reflected in the revised rates. In a limited number of cases, new fees for FY 18-19 saw substantial changes based on actual experience – this can be seen in the large increase for River Review permits, as well as the substantial decrease for Planned Development Bonus Review: Minor Amendment permits.

Not all fees have been adjusted in response to this review. In particular, land use and public works appeals fees fall well short of cost recovery.

Upcoming Changes

Similar efforts are commencing with temporary street use and utility permitting sections. We will also be building upon and further refining our methodology and assumptions through an audit of hours incurred for each permit type.