City of Portland, Oregon
Bureau of Development Services
Office of the Director
FROM CONCEPT TO CONSTRUCTION

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March 30, 2015

TO: **Doug Le, City Budget Office**

FROM: **Paul L. Scarlett, Director** PLS
Bureau of Development Services

SUBJECT: **Budget Monitoring Report – Spring FY 2014-15**

Attached is the FY 2014-15 Spring Budget Monitoring Report for the Bureau of Development Services. The report includes the following requests:

DS_11. IA with BES to support FEMA Community Rating System (CRS)
This is an $8,000 interagency agreement with the Bureau of Environmental Services (BES) to support City of Portland participation in the FEMA Community Rating System, which will help reduce the City's and FEMA's risk from flood impacts.

DS_12. Adjustment to IA with the Facilities
This adjustment of $670,000 to the interagency agreement with Facilities reflects an appropriation for additional space and internal moves.

DS_13. Adjustment to IA with the Bureau of Technology Services
This is an adjustment of $600,000 to the interagency agreement with the Bureau of Technology Services to add an appropriation for expenditures associated with internal moves and new employee set up, and to prevent over-expenditure.

DS_14. Adjustment to IA with City Fleet
This is an adjustment of $50,000 to the interagency agreement with City Fleet to add an appropriation for expenditures associated with vehicle leases and to prevent over-expenditure.

DS_15. Adjustment to IA with Printing and Distribution
This is an adjustment of $80,000 to the interagency agreement with Printing and Distribution to add an appropriation for expenditures associated with copying and printing services and to prevent over-expenditure.

DS_16. IA with the Bureau of Human Resources
This is an interagency agreement with the Bureau of Human Resources (BHR) to pay for a BHR analyst who will exclusively focus on BDS recruitments ($26,000).

DS_17. BDS Additional Positions – Originally Requested in FY 2015-16 Budget Request (19.5 FTE)

These 19.5 FTE were originally included in BDS's FY 2015-16 Requested Budget (DS_01, DS_02, and DS_03) and 5-Year Financial Plan. BDS financial projections indicate that there will be sufficient revenues to support these positions over the next five years. These projections were reviewed and supported by the BDS Financial Advisory Committee and BDS Budget Advisory Committee. The City Budget Office review of BDS's FY 2015-16 Requested Budget also recommended these packages.

In order to more proactively respond to workload increases and restore important services, BDS is proposing to add these 19.5 FTE (supported by permit revenues) to programs throughout the bureau in the FY 2014-15 Spring BMP.

This request also makes an adjustment of $224,000 to the interagency agreement with the City Fleet in order to add an appropriation for new vehicles. New cars are necessary to accommodate new inspector positions. Approval of this request meets the requirements of Resolution 35960 requiring City Council approval of leases, upgrades to replacements, and new vehicle additions.

DS_18. Conversion of Limited Term Positions to Permanent (4.0 FTE)

The bureau previously created several Limited Term positions in its Digitization Team due to the increased workload and the requirement to respond to customer demands as efficiently as possible. The workload and revenues continue to grow and the bureau now anticipates retaining these positions on a permanent basis. The funding for these positions has already been included in the FY 2015-16 Requested Budget and 5-Year Financial Plan.

3.0 Development Services Tech I
1.0 Development Services Tech II

DS_19. Housing Inspectors – FY 2014-15 Budget Note (net 2.0 FTE)

BDS's FY 2014-15 Adopted Budget contains a budget note that directs the City Budget Office to increase BDS's current appropriation level target by $286,048 starting in FY 2015-16 in order to provide ongoing funding for Housing and Nuisance Inspection Services and the Extremely Distressed Property Enforcement Program. Currently 1.0 Sr. Housing Inspector FTE and 2.0 Housing Inspector FTE, which will be funded in FY 2015-16 and forward by ongoing General Fund monies, are supported by internal bureau resources.

In addition, during the Fall FY 2014-15 BMP, an error was made; a Sr. Housing Inspector position was approved by the Council as a regular position, but the funding was only one-time. BDS was asked by the City Budget Office to return in the Spring FY 2014-15 BMP and change the position from regular to limited term.

+2.0 Housing Inspectors
+1.0 Sr. Housing Inspector
-1.0 Sr. Housing Inspector

DS_20. Additional Positions FY 2014-15 Spring BMP (13.5 FTE)
Since FY 2011-12, BDS has experienced increasing workloads as the national economy and the local construction industry have gradually recovered from the recession. The bureau has been adding back FTE that were cut during the recession in order to restore services and respond to the workload. Positions were added in FY 2011-12, FY 2012-13, FY 2013-14, and FY 2014-15.

However, the pace of construction has recently been accelerating, and it has become clear that several FTE are needed in frontline positions in order to meet demands for services and not hinder ongoing economic recovery in Portland. All positions are fee supported.

This request also makes an adjustment of $28,000 to the interagency agreement with the City Fleet in order to add an appropriation for a new vehicle. New car is necessary to accommodate new inspector position. Approval of this request meets the requirements of Resolution 35960 requiring City Council approval of leases, upgrades to replacements, and new vehicle additions.

Staff Additions
BDS is requesting 13.5 FTE, including:

Plan Review and Permitting Services Division (6.0 FTE)

- 2.0 Geotechnical Engineer
- 2.0 Structural Engineer
  The engineer positions in this request will be added to the Major Projects Group program (MPG). MPG was established to provide an enhanced customer service level for the development teams of large and complex projects, where the benefits of early and consistent staff interaction is key to project success. The ability to provide this level of service requires sufficient staffing to sustain the early assistance, ongoing customer/design team meetings, and plan review effort from the beginning of design to permit final. Over the past several years, there has been a gap between the promise of the program and the actual delivery of services. In addition, MPG anticipates receiving applications from 4 significant projects (up to 8 buildings) with a combined valuation of $870 million in the next 12 months. These additional engineer positions are needed to provide services to existing and anticipated projects.

- 1.0 Structural Engineer
- 1.0 Development Services Supervisor II
  These positions will address workload increases in the Process Management and Permitting Services work groups.

  Over the next 12 months the Process Management Team anticipates receiving 41 additional development projects with a combined valuation of $455 million. To accommodate this additional large scale development work, I am requesting an additional Structural Engineer position to balance out workload and meet our service level goals for those projects that are taken in for review.

The addition of staff positions in the Permitting Services Section over the last few years has reached a point where the manager's span of control exceeds what can reasonably be accommodated. Adding the Development Services Supervisor II position will address this issue and will provide needed resources to assist the section with the implementation of the Information Technology Advancement Project (ITAP) and related staff training needs.

Land Use Services Division (5.5 FTE)

- 1.0 City Planner II Land Use Specialty
- 1.0 Associate Planner

  These additional positions are needed for the Land Division & Environmental Team to help with the high land division and final plat workload, the application of the new tree regulations on each of these applications, and Early Assistance Appointments. Adding these positions should improve turnaround times for completeness reviews for Type Ix Land Divisions.

- 1.0 Office Support Specialist II

  An additional Office Support Specialist (OSS) II position is needed for the Records Management Team to support increased workload related to land use reviews, final plats, and permitting. The positions will also take on duties related to the Land Use Services webpages and land use notices that go to City Council hearings.

- 1.0 City Planner I Land Use Specialty

  This position will help the Planning & Zoning Team address higher workload levels and free up senior planners to focus on higher-level work. This position will also help respond to an increased number of Early Assistance Appointments and to the added level of complexity brought by the new Citywide Tree Code.

- 0.5 FTE Planning Assistant for Planning and Zoning Team
- 0.5 FTE Planning Assistant for Design Review and Historic Resources Team
- 0.5 FTE Planning Assistant for Land Division & Environmental Team

  These part-time permanent positions are being added to the Planning & Zoning Team, Design Review & Historic Resources Team, and Land Division and Environmental Team to help address workload issues. The positions will perform needed basic planner work for higher-level planners, and will provide opportunities for masters-level planning students to gain important real-world planning experience.

Inspections Services Division (1.0 FTE)

- 1.0 Senior Building Inspector (Commercial Inspections)

This position will assist with large high-rise projects that are currently under review by the bureau's Major Projects Group. Specifically, this position will cover technical high-rise

projects in the central city, provide back-up coverage for another Sr. Building Inspector, and allow for the training of other Building Inspectors on high-rise projects. The position will also operate a pilot project for older or expired wireless facility commercial building permits.

Administrative Services Division and Director's Office (1.0 FTE)

- 1.0 Senior Administrative Specialist

This position will help to support and coordinate the increased workload associated with the recruitment and onboarding of new employees as well as provide ongoing support to the bureau timekeeper and personnel administrator.

If you have any questions about the BDS Budget Monitoring Report, please contact Elshad Hajiyev, BDS Finance Manager, at 503-823-7323 or elshad.hajiyev@portlandoregon.gov.

CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_011 - IA with BES FEMA Community Rating System

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	8,000	0	8,000
Contingency	0	0	0
TOTAL EXPENDITURES	**8,000**	**0**	**8,000**
REVENUES			
Licenses & Permits	8,000	0	8,000
TOTAL REVENUES	**8,000**	**0**	**8,000**

Bureau Description:

This is an $8,000 interagency agreement with the Bureau of Environmental Services (BES) to support City of Portland participation in the FEMA Community Rating System, which will help reduce the City's and FEMA's risk from flood impacts.

CBO Discussion and Recommendation

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_012 - Adjustment to IA with the Facilities

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	670,000	0	670,000
Contingency	0	0	0
TOTAL EXPENDITURES	**670,000**	**0**	**670,000**
REVENUES			
Licenses & Permits	670,000	0	670,000
TOTAL REVENUES	**670,000**	**0**	**670,000**

Bureau Description:

This adjustment of $670,000 to the interagency agreement with Facilities reflects an appropriation for additional space and internal moves.

CBO Discussion and Recommendation

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_013 - Adjustment to IA with the BTS

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	600,000	0	600,000
Contingency	0	0	0
TOTAL EXPENDITURES	**600,000**	**0**	**600,000**
REVENUES			
Licenses & Permits	600,000	0	600,000
TOTAL REVENUES	**600,000**	**0**	**600,000**

Bureau Description:

This is an adjustment of $600,000 to the interagency agreement with the Bureau of Technology Services to add an appropriation for expenditures associated with internal moves and new employee set up, and to prevent over-expenditure.

CBO Discussion and Recommendation

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_014 - Adjustment to IA with the City Fleet

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	50,000	0	50,000
Contingency	0	0	0
TOTAL EXPENDITURES	**50,000**	**0**	**50,000**
REVENUES			
Licenses & Permits	50,000	0	50,000
TOTAL REVENUES	**50,000**	**0**	**50,000**

Bureau Description:

This is an adjustment of $50,000 to the interagency agreement with City Fleet to add an appropriation for expenditures associated with vehicle leases and to prevent over-expenditure.

CBO Discussion and Recommendation

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_015 - Adjustment to IA with the P&D

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	80,000	0	80,000
Contingency	0	0	0
TOTAL EXPENDITURES	**80,000**	**0**	**80,000**
REVENUES			
Licenses & Permits	80,000	0	80,000
TOTAL REVENUES	**80,000**	**0**	**80,000**

Bureau Description:

This is an adjustment of $80,000 to the interagency agreement with Printing and Distribution to add an appropriation for expenditures associated with copying and printing services and to prevent over-expenditure.

CBO Discussion and Recommendation

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_016 - IA with the Bureau of Human Resources

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	26,000	0	26,000
Contingency	0	0	0
TOTAL EXPENDITURES	**26,000**	**0**	**26,000**
REVENUES			
Licenses & Permits	26,000	0	26,000
TOTAL REVENUES	**26,000**	**0**	**26,000**

Bureau Description:

This is an interagency agreement with the Bureau of Human Resources (BHR) to pay for a BHR analyst who will exclusively focus on BDS recruitments ($26,000).

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_017 - BDS Additional Positions – FY 2015-16 Request

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Personnel Services	279,198	0	279,198
Internal Materials and Services	224,000	0	224,000
Contingency	0	0	0
TOTAL EXPENDITURES	**503,198**	**0**	**503,198**
REVENUES			
Licenses & Permits	503,198	0	503,198
TOTAL REVENUES	**503,198**	**0**	**503,198**
FTE			
Full-Time Positions	3.25	0.00	3.25
TOTAL FTE	3.25	0.00	3.25

Bureau Description:

These 19.5 FTE were originally included in BDS's FY 2015-16 Requested Budget (DS_01, DS_02, and DS_03) and 5-Year Financial Plan. BDS financial projections indicate that there will be sufficient revenues to support these positions over the next five years. These projections were reviewed and supported by the BDS Financial Advisory Committee and BDS Budget Advisory Committee. The City Budget Office review of BDS's FY 2015-16 Requested Budget also recommended these packages.

In order to more proactively respond to workload increases and restore important services, BDS is proposing to add these 19.5 FTE (supported by permit revenues) to programs throughout the bureau in the FY 2014-15 Spring BMP.

This request also makes an adjustment of $224,000 to the interagency agreement with the City Fleet in order to add an appropriation for new vehicles. New cars are necessary to accommodate new inspector positions. Approval of this request meets the requirements of Resolution 35960 requiring City Council approval of leases, upgrades to replacements, and new vehicle additions.

CBO Discussion and Recommendation

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_018 - Conversion of Limited Term Positions to Permanen

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Personnel Services	42,622	0	42,622
Contingency	0	0	0
TOTAL EXPENDITURES	**42,622**	**0**	**42,622**
REVENUES			
Licenses & Permits	42,622	0	42,622
TOTAL REVENUES	**42,622**	**0**	**42,622**
FTE			
Full-Time Positions	0.67	0.00	0.67
TOTAL FTE	0.67	0.00	0.67

Bureau Description:

The bureau previously created several Limited Term positions in its Digitization Team due to the increased workload and the requirement to respond to customer demands as efficiently as possible. The workload and revenues continue to grow and the bureau now anticipates retaining these positions on a permanent basis. The funding for these positions has already been included in the FY 2015-16 Requested Budget and 5-Year Financial Plan.
3.0Development Services Tech I
1.0Development Services Tech II

CBO Discussion and Recommendation

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_019 - Housing Inspectors – FY 2014-15 Budget Note

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Personnel Services	24,112	0	24,112
Contingency	(24,112)	0	(24,112)
TOTAL EXPENDITURES	**0**	**0**	**0**
FTE			
Full-Time Positions	0.33	0.00	0.33
TOTAL FTE	0.33	0.00	0.33

Bureau Description:

BDS's FY 2014-15 Adopted Budget contains a budget note that directs the City Budget Office to increase BDS's current appropriation level target by $286,048 starting in FY 2015-16 in order to provide ongoing funding for Housing and Nuisance Inspection Services and the Extremely Distressed Property Enforcement Program. Currently 1.0 Sr. Housing Inspector FTE and 2.0 Housing Inspector FTE, which will be funded in FY 2015-16 and forward by ongoing General Fund monies, are supported by internal bureau resources.

In addition, during the Fall FY 2014-15 BMP, an error was made; a Sr. Housing Inspector position was approved by the Council as a regular position, but the funding was only one-time. BDS was asked by the City Budget Office to return in the Spring FY 2014-15 BMP and change the position from regular to limited term.

+2.0 Housing Inspectors
+1.0 Sr. Housing Inspector
-1.0 Sr. Housing Inspector

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_020 - Additional Positions Spring FY14-15 BMP

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Personnel Services	202,220	0	202,220
Internal Materials and Services	28,000	0	28,000
TOTAL EXPENDITURES	**230,220**	**0**	**230,220**
REVENUES			
Charges for Services	230,220	0	230,220
TOTAL REVENUES	**230,220**	**0**	**230,220**
FTE			
Full-Time Positions	2.25	0.00	2.25
TOTAL FTE	2.25	0.00	2.25

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_020 - Additional Positions Spring FY14-15 BMP

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments

Bureau Description:

Since FY 2011-12, BDS has experienced increasing workloads as the national economy and the local construction industry have gradually recovered from the recession. The bureau has been adding back FTE that were cut during the recession in order to restore services and respond to the workload. Positions were added in FY 2011-12, FY 2012-13, FY 2013-14, and FY 2014-15.

However, the pace of construction has recently been accelerating, and it has become clear that several FTE are needed in frontline positions in order to meet demands for services and not hinder ongoing economic recovery in Portland. All positions are fee supported.

This request also makes an adjustment of $28,000 to the interagency agreement with the City Fleet in order to add an appropriation for a new vehicle. New car is necessary to accommodate new inspector position. Approval of this request meets the requirements of Resolution 35960 requiring City Council approval of leases, upgrades to replacements, and new vehicle additions.

Staff Additions
BDS is requesting 13.5 FTE, including:

Plan Review and Permitting Services Division (6.0 FTE)
•2.0 Geotechnical Engineer
•2.0 Structural Engineer
The engineer positions in this request will be added to the Major Projects Group program (MPG). MPG was established to provide an enhanced customer service level for the development teams of large and complex projects, where the benefits of early and consistent staff interaction is key to project success. The ability to provide this level of service requires sufficient staffing to sustain the early assistance, ongoing customer/design team meetings, and plan review effort from the beginning of design to permit final. Over the past several years, there has been a gap between the promise of the program and the actual delivery of services. In addition, MPG anticipates receiving applications from 4 significant projects (up to 8 buildings) with a combined valuation of $870 million in the next 12 months. These additional engineer positions are needed to provide services to existing and anticipated projects.

•1.0 Structural Engineer
•1.0 Development Services Supervisor II
These positions will address workload increases in the Process Management and Permitting Services work groups.
Over the next 12 months the Process Management Team anticipates receiving 41 additional development projects with a combined valuation of $455 million. To accommodate this additional large scale development work, I am requesting an additional Structural Engineer position to balance out workload and meet our service level goals for those projects that are taken in for review.
The addition of staff positions in the Permitting Services Section over the last few years has reached a point where the manager's span of control exceeds what can reasonably be accommodated. Adding the Development Services Supervisor II position will address this issue and will provide needed resources to assist the section with the implementation of the Information Technology Advancement Project (ITAP) and related staff training needs.

Land Use Services Division (5.5 FTE)
•1.0 City Planner II Land Use Specialty
•1.0 Associate Planner
These additional positions are needed for the Land Division & Environmental Team to help with the high land division and final plat workload, the application of the new tree regulations on each of these applications, and Early Assistance Appointments. Adding these positions should improve turnaround times for completeness reviews for Type Ix Land Divisions.

•1.0 Office Support Specialist II
An additional Office Support Specialist (OSS) II position is needed for the Records Management Team to support increased workload related to land use reviews, final plats, and permitting. The positions will also take on duties related to the Land Use Services webpages and land use notices that go to City Council hearings.

•1.0 City Planner I Land Use Specialty
This position will help the Planning & Zoning Team address higher workload levels and free up senior planners to focus on higher-level work. This position will also help respond to an increased number of Early Assistance Appointments and to the added level of complexity brought by the new Citywide Tree Code.

•0.5 FTE Planning Assistant for Planning and Zoning Team
•0.5 FTE Planning Assistant for Design Review and Historic Resources Team
•0.5 FTE Planning Assistant for Land Division & Environmental Team
These part-time permanent positions are being added to the Planning & Zoning Team, Design Review & Historic Resources Team, and Land Division and Environmental Team to help address workload issues. The positions will perform needed basic planner work for higher-level planners, and will provide opportunities for masters-level planning students to gain important real-world planning experience.

Bureau: Bureau of Development Services **Type:** New Request

Request: DS_020 - Additional Positions Spring FY14-15 BMP

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments

Bureau Description:
Inspections Services Division (1.0 FTE)
•1.0 Senior Building Inspector (Commercial Inspections)
This position will assist with large high-rise projects that are currently under review by the bureau's Major Projects Group. Specifically, this position will cover technical high-rise projects in the central city, provide back-up coverage for another Sr. Building Inspector, and allow for the training of other Building Inspectors on high-rise projects. The position will also operate a pilot project for older or expired wireless facility commercial building permits.

Administrative Services Division and Director's Office (1.0 FTE)
•1.0 Senior Administrative Specialist
This position will help to support and coordinate the increased workload associated with the recruitment and onboarding of new employees as well provide ongoing support to the bureau timekeeper and personnel administrator.

CBO Discussion and Recommendation

Capital Program Status Report

Bureau of Development Services

CIP Program	FY 2013-14 Adopted Budget	FY 2013-14 Revised Budget	FY 2013-14 Year-End Actuals	Variance $	Variance %	FY 2014-15 Adopted Budget	Spring BMP Revised Budget	FY 2014-15 Year to Date Actuals	Variance $	Variance %
Special Projects	$4,697,127	$4,697,127	$3,650,770	($1,046,357)	(22%)	$3,821,440	$3,821,440	$1,629,614	$0	0%
Total	**$4,697,127**	**$4,697,127**	**$3,650,770**	**($1,046,357)**	**(22%)**	**$3,821,440**	**$3,821,440**	**$1,629,614**	**$0**	**0%**

*** Prior Year variances compare Year-End Actuals to Revised Budget**
**** Current Year variances compare Revised Budget to Adopted Budget**

Prior Year Variance Description

The project budget has a built in 20% contingency. The variance of 22% shows that the bureau did not use any project contingency to fund the project in FY 2013-14.

Current Year Variance Description

The bureau is proceeding with the project.

Fund Projection Report

	Spring BMP Revised Budget	FY 2014-15 YTD Actuals Thru AP8	Spring BMP Year-End Projection	% of Projected Actuals to Revised Bud
Development Services Fund				
EXPENDITURES				
Unappropriated Fund Balance	$14,000,000	$0	$36,971,182	264%
Personnel Services	$29,775,612	$17,884,262	$28,042,240	94%
External Materials and Services	$2,186,305	$1,036,644	$2,130,528	97%
Internal Materials and Services	$9,405,760	$6,002,725	$9,100,910	97%
Capital Outlay	$1,495,649	$650,504	$1,421,008	95%
Bond Expenses	$982,638	$152,887	$982,638	100%
Fund Transfers - Expense	$1,256,774	$837,855	$1,256,774	100%
Contingency	$10,519,312	$0	$10,519,312	100%
TOTAL EXPENDITURES	**$69,622,050**	**$26,564,878**	**$90,424,592**	**130%**
REVENUES				
Budgeted Beginning Fund Balance	$24,572,155	$0	$35,220,896	143%
Licenses & Permits	$28,809,934	$22,452,045	$33,678,068	117%
Charges for Services	$10,964,431	$9,111,688	$15,703,581	143%
Interagency Revenue	$993,931	$117,923	$965,746	97%
Fund Transfers - Revenue	$2,414,081	$1,357,366	$2,414,081	100%
Bond and Note	$25,000	$0	$0	0%
Miscellaneous	$1,842,518	$1,900,958	$2,442,220	133%
TOTAL REVENUES	**$69,622,050**	**$34,939,980**	**$90,424,592**	**130%**

Fund Projection Narrative

The differences in Budgeted Beginning Balance and Contingency are due to higher than anticipated revenue collections in FY 2013-14 and FY 2014-15. In FY 2014-15 all bureau major revenue categories were higher than projected due to better than anticipated recovery in construction activity in Portland Metropolitan area, especially in multi-family apartment construction. The bureau underspent its personnel budget due to a number of positions being vacant that resulted from longer than expected recruitment processes.

Fund Projection Report

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BUREAU OF DEVELOPMENT SERVICES

Report on FY 2014-15 Budget Notes and Add Packages

FY 2014-15 Budget Note

Inspections and Distressed Properties
City Council directs the City Budget Office to increase the Bureau of Development Services current appropriation level target by $286,048 starting in FY 2015-16 in order to provide ongoing funding for Housing and Nuisance Inspection Services and the Extremely Distressed Property Enforcement program.

Update
BDS's Current Appropriation Level target budget for FY 2015-16 was increased by $286,048. The money will support 2 Housing Inspector FTE and 1 Sr. Housing Inspector FTE in Neighborhood Inspections Program that are being converted from limited term to permanent as part of the Spring FY 2014-15 BMP.

FY 2014-15 Decision Packages

Ordinance # 186482, FY 2013-14. BDS Additional Positions

Ordinance # 186482 amended Bureau of Development Services FY 2013-14 budget to add appropriation and create new positions to support the restoration of development review services.

In order to respond to workload increases and restore important services, BDS proposed to add 18 FTE (supported by permit revenues) to programs throughout the bureau. These 18 FTE are included in bureau's FY 2014-15 requested budget and 5-year Financial Plan. BDS financial projections indicated that there will be sufficient revenues to support these positions over the next five years. These projections were reviewed and supported by the BDS Financial Advisory Committee and BDS Budget Advisory Committee.

The cost for FY 2013-14 for BDS was approximately $800,000. The ongoing costs are approximately $2.4 million. These costs included personnel services costs for 18 FTE, as well as associated material and services, including additional rent, vehicles, and technology related expenses. The entire request is being funded by permit revenues.

Update
13 out of 18 positions were filled, the rest are in the various stages of the recruitment process.

DS_05. BDS Additional Positions – Fall FY 2014-15 BMP
Since FY 2011-12, BDS has experienced increasing workloads as the national economy and the local construction industry have gradually recovered from the recession. The bureau has been slowly adding back FTE that were cut during the recession in order to restore services and respond to the workload. Positions were added in FY 2011-12, FY 2012-13, and FY 2013-14.

However, the pace of construction has recently been accelerating, and it has become clear that several FTE are needed in frontline positions in order to meet demands for services and not hinder ongoing

economic recovery in Portland.
BDS is requesting 21 FTE.

Update
4 out of 21 positions were filled, the rest are in the various stages of the recruitment process.

DS_07. Expand the Extremely Distressed Properties Enforcement Program (EDPEP) (1 FTE) – Fall FY 2014-15 BMP

In fall 2011, the City Council approved one-time General Fund support for one Senior Housing Inspector position to implement the Extremely Distressed Properties Enforcement Program (EDPEP). EDPEP has proven to be an effective tool to respond to the substantial impact on some neighborhoods and properties from the prolonged recession and mortgage related foreclosures. 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 enforces the City's Property Maintenance Regulations and 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. Currently 49 properties are awaiting follow up and officially in the queue. Many of the properties eligible for the Program are referred by the Police Bureau and more properties are also eligible that have current Housing and Nuisance cases on them.

This package requests on-going General Fund support for this critical neighborhood livability program to fund 1 Senior Housing Inspector and $50,000 for an additional 17 Nuisance Abatements, Vacations, Board Ups and Demolitions.

Update
The employee for the new EDPEP position was hired in December 2014 and is still in training. The employee has been attending the North & East Precinct Neighborhood Response Team (NRT) meetings and is working directly with the NRT officers in the district and is on the agenda and attending the March 2015 - North Portland Safety Action Committee to discuss& provide info on the EDPEP program.

Workload stats incurred so far:
- 1 Nuisance Abatement - $2,533.03 & 1 pending
- 2 Hearings held requesting abatement, vacations and board ups, has received 1 order from the Hearings Officer & awaiting the 2nd order
- 1 Pending Hearing before the Hearings Officer
- Currently has 4 active cases
- 2 cases have been resolved