



**City of
Portland, Oregon**
Bureau of Development Services
FROM CONCEPT TO CONSTRUCTION

Dan Saltzman, Commissioner
Paul L. Scarlett, Director
Phone: (503) 823-7300
Fax: (503) 823-6983
TTY: (503) 823-6868
www.portlandoregon.gov/bds

September 12, 2016

TO: Doug Le, City Budget Office

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

SUBJECT: Budget Monitoring Report – Fall FY 2016-17

Attached is the FY 2016-17 Fall Budget Monitoring Report for the Bureau of Development Services. The report includes the following requests:

DS_1 – Additional Positions FY 2016-17 Fall BMP

BDS is requesting 16.0 staff positions, supported by permit revenues, through the FY 2016-17 Fall BMP.

12 of the added positions are new, while 4 are conversion from Limited Term into permanent positions. All of the positions will be supported with permit revenues, and projections indicate sufficient revenues will be available to support the positions for the next five years.

The positions will help BDS meet service level goals. The economy and construction activity in Portland has experienced significant growth in recent years. While BDS has been adding staff to address the rapid workload growth, it is evident that additional staff positions are needed in some bureau programs to respond to workload changes and ensure that desired service levels are maintained. These positions will benefit customers and the larger community by improving services and access to information.

This request also makes an adjustment of \$120,000 to the interagency agreement with City Fleet in order to add an appropriation for four new vehicles. New cars are necessary to accommodate new positions. Approval of this request meets the requirements of resolution 35960 requiring City Council approval of leases, upgrades to replacements, and new vehicle additions.

The 16.0 FTE in this request include:

Director's Office (1.0 FTE)

- 1.0 Senior Administrative Specialist

This position will support the Equity and Policy Development Section. It will strengthen the bureau's equity efforts by providing administrative staff to support future trainings, forums, and outside work.

Public Information and Enforcement (1.0 FTE)

- 1.0 Management Analyst

The Management Analyst position will allow the bureau to apply State and Local codes more clearly and efficiently by assisting the bureau through the development of new, and the updating of existing code guides, program guides, and policies.

Business Operations and Finance Services (5.0 FTE)

- 1.0 Senior Administrative Specialist

This position will add administrative support to the Business Operations and Finance Services Division. The bureau expansion has stressed the staff's capability to meet the administrative requirements related to the coordination of internal business services, particularly in the areas of phones, fleet, and facilities. This position will act as the primary individual for fleet and phone services, will serve as facilities backup, and provide additional administration services and support to the overall division.

Technology Team:

- 1.0 Development Services Technician I

This position will add support to the Digitization Team and allow for the creation of a second scanning pod of three scanning stations. It will accelerate the bureau's timeline to complete the backlog of digitization projects.

- 1.0 Business Systems Analyst

Adding another Business Systems Analyst to the Technology Team will cover additional ITAP support work and TRACS change requests as the ITAP project extends further.

- 1.0 Office Support Specialist III

This position will manage the increase IT support needs due to the BDS expansion and business workload increases.

Budget & Finance:

- 1.0 Financial Analyst

This position will join the Budget & Finance Section and will focus primarily on data analysis and procurement. The bureau has increasing data analysis needs and the bureau also needs an individual to lead the procurement and contract processes.

Inspection Services (4.0 FTE)

Residential Inspections:

- 1.0 Building Inspector II

- 1.0 Electrical Inspector

Residential Inspections workload has increased significantly. Service response times and the number of rollovers are higher than the bureau's objectives. The Building Inspector II and Electrical Inspector positions will help the bureau improve response times, reduce rollovers, and prepare for future retirements.

Commercial Inspections:

- 1.0 Site Development Inspector I

This position addresses the need for site development and tree inspections, per Title 11 and Title 33. This position will also perform sewer easement verification and erosion control inspections on residential and commercial sites, and support the Senior Site Development Inspector.

Facility Permit Program:

- 1.0 Senior Building Inspector

The FPP program anticipates an increase in developers seeking to enroll in the FPP program to expedite tenant improvement permits. The program wants to proactively accommodate increased demand by adding a Senior Building Inspector position.

Plan Review and Permitting Services (3.0 FTE)

Plan Review:

- 1.0 Senior Plans Examiner

This is a conversion of the Senior Plans Examiner position from LT to permanent. The position provides guidance to staff and helps improve overall turnaround times. Conversion from LT to Permanent will allow the section provide guidance to customers in the DSC, on the phone or at various meetings, addressing the issues and concerns raised as part of the work submitted. The position will help with the development and implementation of strategies and solutions for improving customer service, electronic plan review, development of SOP's, and developing relationships with our customers.

Engineering Plan Review:

- 1.0 Structural Engineer

This is a conversion of the Structural Engineer position from LT to permanent. It addresses personnel needs of our Engineering Plan Review Section relative to the growing workload of projects that have greater complexity, as well as address the current backlog in plan review, which will improve customer service measures. This change will allow the section to improve on guidance provided as they work with customers, in the DSC, on the phone or at various meetings, addressing the issues and concerns raised as part of the plan review of the work submitted.

- 1.0 Senior Engineer

This position will provide a lead individual within the geotechnical engineering plan review work team as it experiences increases in the number and complexity of projects. This position can assist in addressing the current backlog in plan review, provide a leadership role with other geotech staff, as well as help to identify areas where the group can improve customer service. This change will allow the section to provide guidance to customers, in the DSC, on the phone or at various meetings. Adding this position will allow for a more even and consistent development and implementation of strategies and solutions for improving customer service, electronic plan review, development of SOP's, and developing relationships with our customers.

Land Use Services (2.0 FTE)

- 2.0 Associate Planner

The Title 33 and Design & Historic Resources Sections both anticipate a permanent high volume of review cases. Adding an Associate Planner to each section will provide the bureau with the resources to accommodate a permanent increase in workload.

DS_2 – Adjustment to IA with Parks, City Tree Project

This is a \$21,399 interagency agreement with the Parks Bureau to fund Parks' portion of the contract with Enviroissues to support outreach and committee work for the Citywide Tree Project.

DS_3 – Adjustment to IA with Parks, Urban Forestry

This adjustment of \$25,150 will add an appropriation to the IA with the Parks Bureau, Urban Forestry for services provided to the BDS Land Use Reviews Team. Urban Forestry Tree Inspectors will perform on-site inspections to verify tree conditions submitted as a part of a land use review; evaluate proposals for tree removal or preservation as they relate to new or proposed development; provide written comments and recommendations on acceptable field practices and conditions for land use reviews; evaluate and assist with tree reviews and land divisions; review arborist reports submitted as part of a land use review; communicate with applicants, developers, or neighborhood members on the value of trees, realistic expectations for preserving trees, and how construction practices could be implemented or modified to have less significant impact on the trees on a site. Urban Forestry Tree Inspectors will provide a 48 hour turnaround time on requests.

DS_4 – IA with Portland Housing Bureau

This interagency adds a \$5,966 appropriation for expenditures due to space rental for two workstations for Portland Housing Bureau employees stationed at BDS for a six month time period.

DS_5 – DOZA 1 Carryover from FY 2015-16

This adjustment carries over the unspent portion of DOZA 1 funding from FY 2015-16 to FY 2016-17.

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

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_001 - Additional Positions FY 2016-17 Fall BMP

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Personnel Services | 943,640 | 0 | 943,640 |
| Internal Materials and Services | 120,000 | 0 | 120,000 |
| Contingency | (1,063,640) | 0 | (1,063,640) |
| TOTAL EXPENDITURES | 0 | 0 | 0 |
| FTE | | | |
| Full-Time Positions | 10.67 | 0.00 | 10.67 |
| TOTAL FTE | 10.67 | 0.00 | 10.67 |

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_001 - Additional Positions FY 2016-17 Fall BMP

| Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

Bureau Description:

BDS is requesting 16.0 staff positions, supported by permit revenues.

12 of the added new positions are new, while 4 are conversions from Limited Term into permanent positions. All of the positions will be supported with permit revenues, and projections indicated sufficient revenues will be available to support the positions for the next five years.

The positions will help BDS meet service level goals. The economy and construction activity in Portland has experienced significant growth in recent years. While BDS has been adding staff to address the rapid workload growth, it is evident that additional staff positions are needed in some bureau programs to respond to workload changes and ensure that desired service levels are maintained. These positions will benefit customers and the larger community by improving services and access to information.

This request also makes an adjustment of \$120,000 to the interagency agreement with City Fleet in order to add an appropriation for four new vehicles. New cars are necessary to accommodate new positions. Approval of this request meets the requirements of resolution 35960 requiring City Council approval of leases, upgrades to replacements, and new vehicle additions.

The 16.0 FTE in this request include:

Director's Office (1.0 FTE)

•1.0 Senior Administrative Specialist

This position will support the Equity and Policy Development Section. It will strengthen the bureau's equity efforts by providing administrative staff to support future trainings, forums, and outside work.

Public Information and Enforcement (1.0 FTE)

•1.0 Management Analyst

The Management Analyst position will allow the bureau to apply State and Local codes more clearly and efficiently by assisting the bureau through the development of new, and the updating of existing code guides, program guides, and policies.

Business Operations and Finance Services (5.0 FTE)

•1.0 Senior Administrative Specialist

This position will add administrative support to the Business Operations and Finance Services Division. The bureau expansion has stressed the staff's capability to meet the administrative requirements related to the coordination of internal business services, particularly in the areas of phones, fleet, and facilities. This position will act as the primary individual for fleet and phone services, will serve as facilities backup, and provide additional administration services and support to the overall division.

Technology Team

•1.0 Development Services Technician I

This position will add support to the Digitization Team and allow for the creation of a second scanning pod of three scanning stations. It will accelerate the bureau's timeline to complete the backlog of digitization projects.

•1.0 Business Systems Analyst

Adding another Business Systems Analyst to the Technology Team will cover additional ITAP support work and TRACS change requests as the ITAP project extends further.

•1.0 Office Support Specialist III

This position will manage the increase IT support needs due to the BDS expansion and business workload increases.

Budget & Finance

•1.0 Financial Analyst

This position will join the Budget & Finance Section and will focus primarily on data analysis and procurement. The bureau has increasing data analysis needs and the bureau also needs an individual to lead the procurement and contract processes.

Inspection Services (4.0 FTE)

Residential Inspections

•1.0 Building Inspector II

•1.0 Electrical Inspector

Residential Inspections workload has increased significantly. Service response times and the number of rollovers are higher than the bureau's objectives. The Building Inspector II and Electrical Inspector positions will help the bureau improve response times, reduce rollovers, and prepare for future retirements.

Commercial Inspections

•1.0 Site Development Inspector I

This position addresses the need for site development and tree inspections, per Title 11 and Title 33. This position will also perform sewer easement verification and erosion control inspections on residential and commercial sites, and support the Senior Site Development Inspector.

Facility Permit Program

•1.0 Senior Building Inspector

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_001 - Additional Positions FY 2016-17 Fall BMP

| Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

Bureau Description: anticipates an increase in developers seeking to enroll in the FPP program to expedite tenant improvement permits. The program wants to proactively accommodate increased demand by adding a Senior Building Inspector position.

Plan Review and Permitting Services (3.0 FTE)

Plan Review

•1.0 Senior Plans Examiner

This is a conversion of the Senior Plans Examiner position from LT to permanent. The position provides guidance to staff and helps improve overall turnaround times. Conversion from LT to Permanent will allow the section provide guidance to customers in the DSC, on the phone or at various meetings, addressing the issues and concerns raised as part of the work submitted. The position will help with the development and implementation of strategies and solutions for improving customer service, electronic plan review, development of SOP's, and developing relationships with our customers.

Engineering Plan Review

•1.0 Structural Engineer

This is a conversion of the Structural Engineer position from LT to permanent. It addresses personnel needs of the Engineering Plan Review Section relative to our growing workload of projects that have greater complexity, as well as address the current backlog in plan review, which will improve customer service measures. This change will allow the section to improve on guidance provided as they work with customers, in the DSC, on the phone or at various meetings, addressing the issues and concerns raised as part of the plan review of the work submitted.

•1.0 Senior Engineer

This position will provide a lead individual within the geotechnical engineering plan review work team as it experiences increases in the number and complexity of projects. This position can assist in addressing the current backlog in plan review, provide a leadership role with other geotech staff, as well as help to identify areas where the group can improve customer service. This change will allow the section to provide guidance to customers, in the DSC, on the phone or at various meetings. Adding this position will allow for a more even and consistent development and implementation of strategies and solutions for improving customer service, electronic plan review, development of SOP's, and developing relationships with our customers.

Land Use Services (2.0 FTE)

•2.0 Associate Planner

The Title 33 and Design & Historic Resources Sections both anticipate a permanent high volume of review cases. Adding an Associate Planner to each section will provide the bureau with the resources to accommodate a permanent increase in workload.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_002 - Adjustment to IA with Parks, City Tree Project

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Contingency | 21,399 | 0 | 21,399 |
| TOTAL EXPENDITURES | 21,399 | 0 | 21,399 |
| REVENUES | | | |
| Interagency Revenue | 21,399 | 0 | 21,399 |
| TOTAL REVENUES | 21,399 | 0 | 21,399 |

Bureau Description:

This is a \$21,399 interagency agreement with the Parks Bureau to fund Parks' portion of the contract with Enviroissues to support outreach and committee work for the Citywide Tree Project.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_003 - Adjustment to IA with Parks, Urban Forestry

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Internal Materials and Services | 25,150 | 0 | 25,150 |
| Contingency | (25,150) | 0 | (25,150) |
| TOTAL EXPENDITURES | 0 | 0 | 0 |

Bureau Description:

This adjustment of \$25,150 will add an appropriation to the IA with the Parks Bureau, Urban Forestry for services provided to the BDS Land Use Reviews Team. Urban Forestry Tree Inspectors will perform on-site inspections to verify tree conditions submitted as a part of a land use review; evaluate proposals for tree removal or preservation as they relate to new or proposed development; provide written comments and recommendations on acceptable field practices and conditions for land use reviews; evaluate and assist with tree reviews and land divisions; review arborist reports submitted as part of a land use review; communicate with applicants, developers, or neighborhood members on the value of trees, realistic expectations for preserving trees, and how construction practices could be implemented or modified to have less significant impact on the trees on a site. Urban Forestry Tree Inspectors will provide a 48 hour turnaround time on requests.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_004 - IA with Portland Housing Bureau

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Contingency | 5,966 | 0 | 5,966 |
| TOTAL EXPENDITURES | 5,966 | 0 | 5,966 |
| REVENUES | | | |
| Interagency Revenue | 5,966 | 0 | 5,966 |
| TOTAL REVENUES | 5,966 | 0 | 5,966 |

Bureau Description:

This interagency adds a \$5,966 appropriation for expenditures due to space rental for two workstations for Portland Housing Bureau employees stationed at BDS for a six month time period.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_005 - DOZA 1 Carryover from FY 2015-16

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Internal Materials and Services | 184,002 | 0 | 184,002 |
| Contingency | (184,002) | 0 | (184,002) |
| TOTAL EXPENDITURES | 0 | 0 | 0 |

Bureau Description:

This adjustment carries over the unspent portion of DOZA 1 funding from FY 2015-16 to FY 2016-17.

CBO Discussion and Recommendation

Bureau of Development Services

Performance Measures

| Performance Measure | Type | FY 2013-14 Year-End Actuals | FY 2014-15 Year-End Actuals | FY 2015-16 Adopted Budget | FY 2015-16 Year-End Actuals | FY 2016-17 Adopted Budget |
|--|------------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| DS_0001 - Number of commercial inspections | WORKLOAD | 44,859 | 52,923 | 52,500 | 57,916 | 55,000 |
| DS_0002 - Number of commercial inspections per day, per inspector | EFFECTIVE | 13.82 | 13.32 | 17.00 | 13.64 | 15.00 |
| DS_0003 - Percentage of commercial inspections made within 24 hours of request | KPM | 86% | 88% | 95% | 74% | 90% |
| DS_0004 - Number of enforcement cases prepared and presented to code hearings officer | WORKLOAD | 1 | 2 | 5 | 0 | 6 |
| DS_0005 - Number of zoning code violation statistics (cases, inspections, and letters) | WORKLOAD | 4,952 | 4,942 | 4,800 | 5,110 | 6,624 |
| DS_0006 - Number of home occupation permits issued | WORKLOAD | 119 | 105 | 120 | 126 | 120 |
| DS_0007 - Number of properties assessed code enforcement fees | WORKLOAD | 321 | 376 | 400 | 320 | 403 |
| DS_0008 - Number of residential inspections | WORKLOAD | 96,988 | 99,503 | 112,000 | 119,023 | 112,000 |
| DS_0009 - Number of inspections per day, per inspector | EFFECTIVE | 24.94 | 24.71 | 27.00 | 25.34 | 25.00 |
| DS_0010 - Percentage of residential inspections made within 24 hours of request | KPM | 88.0% | 85.0% | 95.0% | 90.0% | 95.0% |
| DS_0011 - Number of inspection trips reduced due to multi-certified inspectors | EFFICIENCY | 19,978 | 20,686 | 21,000 | 21,245 | 21,000 |
| DS_0012 - Number of land use review and final plat applications | WORKLOAD | 861 | 920 | 950 | 880 | 960 |
| DS_0016 - Number of nuisance inspections | WORKLOAD | 9,040 | 8,194 | 11,058 | 8,887 | 11,555 |
| DS_0017 - Number of housing and derelict buildings inspections | WORKLOAD | 3,230 | 2,701 | 4,653 | 3,216 | 3,889 |
| DS_0018 - Number of housing units brought up to code as a result of Neighborhood Inspection Division efforts (includes enhanced inspection pilot beginning in 2010-11) | KPM | 1,984 | 2,223 | 3,757 | 1,896 | 3,359 |
| DS_0019 - Number of properties cleaned up | EFFECTIVE | 2,646 | 2,391 | 4,934 | 2,391 | 3,245 |
| DS_0020 - Number of commercial building permits | WORKLOAD | 3,930 | 4,260 | 4,215 | 4,570 | 4,460 |
| DS_0021 - Number of residential building permits | WORKLOAD | 5,959 | 6,528 | 6,200 | 7,703 | 6,800 |
| DS_0022 - Total number of commercial and residential building permits | WORKLOAD | 9,889 | 10,788 | 10,415 | 12,273 | 11,260 |
| DS_0023 - Number of electrical permits | WORKLOAD | 16,364 | 18,422 | 18,200 | 19,159 | 19,500 |
| DS_0024 - Number of mechanical permits | WORKLOAD | 9,879 | 10,621 | 10,850 | 11,277 | 11,300 |
| DS_0025 - Number of plumbing permits | WORKLOAD | 9,791 | 10,512 | 8,400 | 10,657 | 8,700 |
| DS_0026 - Number of sign permits | WORKLOAD | 788 | 876 | 900 | 804 | 950 |
| DS_0027 - Percentage of building permits issued over the counter the same day as intake | EFFICIENCY | 54% | 55% | 62% | 53% | 65% |
| DS_0028 - Percentage of pre-issuance checks completed within two working days of last review approval | KPM | 58.0% | 49.0% | 75.0% | 53.0% | 75.0% |

Bureau of Development Services

Performance Measures

| Performance Measure | Type | FY 2013-14 Year-End Actuals | FY 2014-15 Year-End Actuals | FY 2015-16 Adopted Budget | FY 2015-16 Year-End Actuals | FY 2016-17 Adopted Budget |
|--|-----------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| DS_0031 - Number of site development plan reviews | WORKLOAD | 2,621 | 2,828 | 2,900 | 2,748 | 2,280 |
| DS_0032 - Average number of working days to first review | EFFECTIVE | 6.71 | 7.44 | 7.50 | 7.92 | 7.40 |
| DS_0034 - Percentage of residential plans reviewed by all bureaus within scheduled end dates | KPM | 82% | 77% | 85% | 72% | 80% |
| DS_0035 - Percentage of commercial plans reviewed by all bureaus within scheduled end dates | KPM | 74% | 65% | 75% | 57% | 65% |
| DS_0040 - Number of housing intakes | WORKLOAD | 1,733 | 1,891 | 2,212 | 2,305 | 2,465 |
| DS_0041 - Number of nuisance intakes | WORKLOAD | 4,468 | 4,435 | 4,222 | 4,880 | 4,568 |
| DS_0042 - Number of code enforcement fee waiver requests | WORKLOAD | 371 | 410 | 475 | 723 | 650 |
| DS_0043 - Number of code enforcement fee waivers granted | EFFECTIVE | 366 | 390 | 470 | 721 | 617 |
| DS_0044 - Number of housing units inspected (includes enhanced inspection pilot beginning in 2010-11) | WORKLOAD | 3,995 | 3,103 | 4,328 | 3,935 | 4,466 |
| DS_0045 - Number of site development permit inspections | WORKLOAD | 260 | 345 | 365 | 253 | 280 |
| DS_0046 - Number of site development land use cases reviews | WORKLOAD | 772 | 831 | 860 | 937 | 845 |
| DS_0047 - Number of sanitation permits and evaluations issued | WORKLOAD | 459 | 451 | 525 | 443 | 375 |
| DS_0048 - Number of construction code violation cases | WORKLOAD | 1,163 | 340 | 643 | 124 | 504 |
| DS_0050 - Percentage of Commercial Permit (New Construction) First Review done within 20 days of application intake | KPM | 59% | 56% | 80% | 77% | 80% |
| DS_0051 - Percentage of Type II Land Use Reviews – Application Completeness Review done within 14 days of application intake | KPM | 62% | 41% | 80% | 42% | 80% |

Bureau of Development Services

Performance Measures

| Performance Measure | Type | FY 2013-14 Year-End Actuals | FY 2014-15 Year-End Actuals | FY 2015-16 Adopted Budget | FY 2015-16 Year-End Actuals | FY 2016-17 Adopted Budget |
|---------------------|------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
|---------------------|------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|

Performance Measure Variance Descriptions

DS_0003 Percentage of commercial inspections made within 24 hours of request:
 The FY 2015-16 Year-end Actual of 74% was less than the strategic target of 98% due to a continued increased in construction activity in the Portland Metropolitan Area combined with the number of vacant positions, difficulty recruiting qualified personnel, long recruitment process, and long training process.

DS_0010 Percentage of residential inspections made within 24 hours of request:
 The FY 2015-16 Year-end Actual of 90% was less than the strategic target of 98% due to a continued increased in construction activity in the Portland Metropolitan Area combined with the number of vacant positions, difficulty recruiting qualified personnel, long recruitment process, and long training process.

DS_0018 Number of housing units brought up to code as a result of Neighborhood Inspection Division efforts:
 The FY 2015-16 Year-end Actual of 1,896 was less than the strategic target of 2,600 due to resource constraints.

DS_0028 Percentage of pre-issuance checks completed within two working days of last review approval:
 The FY 2015-16 Year-end Actual of 53% was less than the strategic target of 85% due to a continued increased in construction activity in the Portland Metropolitan Area combined with the number of vacant positions, difficulty recruiting qualified personnel, long recruitment process, and long training process.

DS_0034 Percent residential plans reviewed by all bureaus within scheduled end dates:
 The FY 2015-16 Year-end Actual of 72% was less than the strategic target of 85% due to an increase in residential construction activity in the Portland Metropolitan Area combined with the number of vacant positions, difficulty recruiting qualified personnel, long recruitment process, and long training process.

DS_0035 Percentage of commercial plans reviewed by all bureaus within scheduled end dates:
 The FY 2015-16 Year-end Actual of 77% was less than the strategic target of 75% due to a continued increased in construction activity in the Portland Metropolitan Area combined with the number of vacant positions, difficulty recruiting qualified personnel, long recruitment process, and long training process.

DS_0050 Percentate of commercial permit (new construction) first review done within 20 days of application intake:
 The FY 2015-16 Year-end Actual of 77% was less than the strategic target of 90% due to a continued increased in construction activity in the Portland Metropolitan Area combined with the number of vacant positions, difficulty recruiting qualified personnel, long recruitment process, and long training process.

DS_0051 Percentage of Type II Land Use Reviews – application completeness review done within 14 days of application intake:
 The FY 2015-16 Year-end Actual of 42% was less than the strategic target of 90% due to a continued increased in construction activity in the Portland Metropolitan Area combined with the number of vacant positions, difficulty recruiting qualified personnel, long recruitment process, and long training process.

Prior Year Fund Reconciliation Report

| | FY 2015-16 Revised Budget | FY 2015-16 Year-End Actuals | Percent of Actuals to Revised |
|--|---------------------------------|-----------------------------------|-------------------------------------|
| 203 - Development Services Fund | | | |
| EXPENDITURES | | | |
| Unappropriated Fund Balance | 31,098,098 | 0 | 0.00 |
| Personnel Services | 36,228,799 | 33,726,101 | 93.09 |
| External Materials and Services | 2,831,908 | 2,968,981 | 104.84 |
| Internal Materials and Services | 9,994,492 | 9,077,080 | 90.82 |
| Capital Outlay | 2,690,225 | 702,191 | 26.10 |
| Bond Expenses | 1,084,750 | 1,038,216 | 95.71 |
| Fund Transfers - Expense | 1,193,727 | 1,181,691 | 98.99 |
| Contingency | 14,762,390 | 0 | 0.00 |
| TOTAL EXPENDITURES | 99,884,389 | 48,694,260 | 48.75 |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | 45,634,924 | 0 | 0.00 |
| Licenses & Permits | 34,827,525 | 43,436,697 | 124.72 |
| Charges for Services | 13,633,486 | 17,347,110 | 127.24 |
| Interagency Revenue | 1,102,676 | 1,013,547 | 91.92 |
| Fund Transfers - Revenue | 2,243,557 | 2,206,621 | 98.35 |
| Miscellaneous | 2,442,221 | 4,627,541 | 189.48 |
| TOTAL REVENUES | 99,884,389 | 68,631,516 | 68.71 |

Fund Reconciliation Narrative

In FY 2015-16 all bureau major fee revenue categories were higher than projected due to better than anticipated 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. The bureau underspent its capital budget due to slower than expected progress with the Information Technology Advancement Project.

Prior Year Business Area Reconciliation Report

| | FY 2015-16 Revised Budget | FY 2015-16 Year-End Actuals | Percent of Actuals to Revised |
|---------------------------------------|---------------------------------|-----------------------------------|-------------------------------------|
| Bureau of Development Services | | | |
| EXPENDITURES | | | |
| Unappropriated Fund Balance | \$31,098,098 | \$0 | 0% |
| Personnel Services | \$36,235,350 | \$33,729,869 | 93% |
| External Materials and Services | \$2,831,908 | \$2,968,981 | 105% |
| Internal Materials and Services | \$9,994,492 | \$9,077,080 | 91% |
| Capital Outlay | \$2,690,225 | \$702,191 | 26% |
| Bond Expenses | \$1,084,750 | \$1,038,216 | 96% |
| Fund Transfers - Expense | \$1,193,727 | \$1,181,691 | 99% |
| Contingency | \$14,762,390 | \$0 | 0% |
| TOTAL EXPENDITURES | \$99,890,940 | \$48,698,028 | 49% |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | \$45,634,924 | \$0 | 0% |
| Licenses & Permits | \$34,827,525 | \$43,436,697 | 125% |
| Charges for Services | \$13,633,486 | \$17,347,110 | 127% |
| Intergovernmental Revenues | \$6,551 | \$3,768 | 58% |
| Interagency Revenue | \$1,102,676 | \$1,013,547 | 92% |
| Fund Transfers - Revenue | \$2,243,557 | \$2,206,621 | 98% |
| Miscellaneous | \$2,442,221 | \$4,627,541 | 189% |
| TOTAL REVENUES | \$99,890,940 | \$68,635,284 | 69% |

Bureau Reconciliation Narrative

In FY 2015-16 all bureau major fee revenue categories were higher than projected due to better than anticipated 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. The bureau underspent its capital budget due to slower than expected progress with the Information Technology Advancement Project.

Capital Program Status Report

Bureau of Development Services

| CIP Program | FY 2015-16 Adopted Budget | FY 2015-16 Revised Budget | FY 2015-16 Year-End Actuals | Variance \$ | Variance % | FY 2016-17 Adopted Budget | Fall BMP Revised Budget | FY 2016-17 Year to Date Actuals | Variance \$ | Variance % |
|------------------|---------------------------------|---------------------------------|-----------------------------------|----------------------|---------------|---------------------------------|-------------------------------|---------------------------------------|----------------|---------------|
| Special Projects | \$5,723,344 | \$5,723,344 | \$2,689,296 | (\$3,034,048) | (53%) | \$3,021,103 | \$3,021,103 | \$0 | \$0 | 0% |
| Total | \$5,723,344 | \$5,723,344 | \$2,689,296 | (\$3,034,048) | (53%) | \$3,021,103 | \$3,021,103 | \$0 | \$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 53% shows that the bureau did not use any project contingency to fund the project in FY 2015-16. In addition, the budget was underspent due to the rebaselining of the project schedule and the expiration of the contract with the primary project vendor.

Current Year Variance Description

The bureau is currently proceeding with the project. The project schedule is being re-evaluated and the bureau is moving forward with different vendors.

Bureau Of Development Services

Date of Update: 9/12/2016

Budget Note Title: Rental Inspection Fee

Budget Note Language: Council directs the Portland Housing Bureau and the Bureau of Development Services to work together to develop recommendations regarding the feasibility of a rental inspection fee to support the current Enhanced Rental Inspections Program, including an enhanced model of rental inspections and increased landlord and tenant education and outreach. The bureaus will present a recommendation to Council for consideration by January, 2016.

Summary Status: Underway

Budget Note Update:

The Portland Housing Bureau and the Bureau of Development Services are currently researching how per-unit rental fees are structured in similarly sized jurisdictions across the country to support programs that successfully ensure that rental housing stock is maintained in good condition for all households in the community. Tools that are frequently used include property registration programs, enhanced rental inspections, and landlord and tenant education, outreach as well as alternative dispute resolution. The City Bureau Directors will present a joint comprehensive recommendation to the council.