

186054

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Denise Kleim		2. Telephone No. 503-823-7338	3. Bureau/Office/Dept. BDS/299/5000
4a. To be filed (hearing date): 5/22/2013, 9:30 TC	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/> </div>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: 5/8/2013
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

Amend fee schedules for land use services, neighborhood inspections, noise control, plumbing, signs, and site development permits (Ordinance)

2) Purpose of the Proposed Legislation:

This ordinance changes certain Bureau of Development Services fees in order to assist in recovering program costs and improving service levels..

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

It is anticipated that the proposed fee increases will generate approximately \$380,000 per year in additional revenues from permit fees. These fee increases were developed as part of the BDS 2013 five-year financial plan. The revenues in BDS's FY 2013-14 Requested Budget are based on these proposed fee increases.

5) Expense: What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence.)**

There are no costs associated with these fee changes. This action will affect bureau revenues only.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No positions will be created or eliminated or re-classified in the current year as a result of this legislation.

- **Will positions be created or eliminated in future years as a result of this legislation?**
To address projected workload increases, BDS has proposed adding 14 positions in FY 2013-14. While projected revenues will support several of these additional positions, revenues from the fee changes proposed in this ordinance will help BDS pay for a few of the positions.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- ☒ **YES:** Please proceed to Question #9.
☐ **NO:** Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

This ordinance will change fees paid by BDS customers, but no impacts are anticipated in the larger community

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

BDS has been proactive in keeping customers and stakeholders informed and seeking their input regarding these proposed fee changes. The bureau is publishing information about the proposed fee increases on its website and in the Plans Examiner newsletter, and has communicated or met with various customer and stakeholder groups, including:

- Development Review Advisory Committee
- Land Use Chairs
- Portland Business Alliance
- Northwest Sign Council
- Independent Electrical Contractors of Oregon
- Oregon Chapter of the Air Conditioning Contractors of America
- Plumbing-Heating-Cooling Contractors Association
- National Electrical Contractors Association
- Noise Review Board
- Associated Builders and Contractors
- Associated General Contractors
- Building Owners & Managers Association
- Institutional Coalition
- Home Builders Association of Metro Portland
- Oregon Remodelers Association

c) How did public involvement shape the outcome of this Council item?

Input from various stakeholder groups helped to determine the amount of the proposed fee changes.

d) Who designed and implemented the public involvement related to this Council item?

BDS's Senior Management Team.

e) Primary contact for more information on this public involvement process (name, title, phone, email):

Denise Kleim, Senior Business Operations Manager; (503) 823-7338;
denise.kleim@portlandoregon.gov

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No future public involvement is anticipated or necessary for this ordinance. The proposed fees would go into effect on July 1, 2013.



Paul L. Scarlett, Bureau of Development Services, Director

APPROPRIATION UNIT HEAD (Typed name and signature)

Bureau of Development Services
Preliminary Impact Estimates of Proposed fee increases

The proposed fee estimates are preliminary. The individual proposed fee amounts presented below are for illustration only. Actual individual proposed fee amounts for the plumbing fee increase will be determined in April-May 2013.

COMMERCIAL PERMIT EXAMPLE # 1

Description: **Tenant Improvement - Restaurant to Restaurant**
 Valuation: \$210,000
 Square Feet: 19,000
 Mechanical work: \$40,000

*Submitted
5/22/13
Denise Klein*

	Current Portland Fees	Proposed Fees Eff 7/1/2013	Difference
Building Permit:	\$1,180.32	\$1,180.32	\$0.00
Building Plan Review:	\$767.21	\$767.21	\$0.00
Fire, Life and Safety Review:	\$472.13	\$472.13	\$0.00
Mechanical Permit:	\$728.90	\$728.90	\$0.00
Mechanical Plan Review:	\$437.34	\$437.34	\$0.00
TOTAL:	\$3,585.90	\$3,585.90	\$0.00

COMMERCIAL PERMIT EXAMPLE # 2

Description: **New Construction - 18 Unit Senior Housing**
 Valuation: \$2,711,635
 Square Feet: 21,502
 Mechanical work: \$178,141

	Current Portland Fees	Proposed Fees Eff 7/1/2013	Difference
Building Permit:	\$10,762.98	\$10,762.98	\$0.00
Building Plan Review:	\$6,995.94	\$6,995.94	\$0.00
Fire, Life and Safety Review:	\$4,305.19	\$4,305.19	\$0.00
Mechanical Permit:	\$2,349.57	\$2,349.57	\$0.00
Mechanical Plan Review:	\$1,409.74	\$1,409.74	\$0.00
Electrical Permit:	\$7,429.00	\$7,429.00	\$0.00
Plumbing Permit:	\$4,365.00	\$4,601.00	\$236.00
TOTAL:	\$37,617.42	\$37,853.42	\$236.00

RESIDENTIAL PERMIT EXAMPLE #1

Description: **New Single Family Residence**
 Square Feet: 1,786
 Valuation: \$185,601 (Valuation calculated based on ICC table effective 2/1/2013)
 Electrical Work: 1 Res wiring <1,000sf ; 2 add'l 500 sf, limited energy, Temp Svc/Fdr 200 amps
 Mechanical Work: Furnace, gas fireplace, range hood, clothes dryer exhaust, single-duct exhaust,
 flue vent for gas fireplace and gas fuel piping
 Plumbing Work: SFR (3) bath,

	Current Portland Fees	Proposed Fees Eff 7/1/2013	Difference
Building Permit:	\$1,088.40	\$1,088.40	\$0.00
Building Plan Review:	\$707.46	\$707.46	\$0.00
Electrical Permit:	\$562.00	\$562.00	\$0.00
Mechanical Permit:	\$188.00	\$188.00	\$0.00
Plumbing Permit:	\$977.00	\$1,026.00	\$49.00
TOTAL:	\$3,522.86	\$3,571.86	\$49.00

*Will be updated with February 2013 ICC cost per square feet and/or City of Portland's proposed fee changes.

**Bureau of Development Services
Preliminary Impact Estimates of Proposed fee increases**

The proposed fee estimates are preliminary. The individual proposed fee amounts presented below are for illustration only. Actual individual proposed fee amounts will be determined in April-May 2013.

LAND USE EXAMPLES	Current Portland Fees	Proposed Fees @ 5%	Difference
Type II - Adjustment Review for Existing House/Duplex	\$1,300	\$1,300	\$0
Type II - Adjustment Review for All Other Projects	\$1,700	\$1,800	\$100
Type Ix - Two or Three lot partition plus per lot fee	\$2,500 \$1,500	\$2,900 \$1,500	\$400 \$0
Type II - Conditional Use Review (a minor change to an existing Conditional Use Review, like for a school or church)	\$2,800	\$2,940	\$140