

IMPACT STATEMENT

Legislation title: Amend fee schedules for tree permits (Ordinance)

Contact name: Brian Landoe

Contact phone: 503.504.0836

Presenter name: Jenn Cairo

Purpose of proposed legislation and background information:

This ordinance allows Portland Parks & Recreation Urban Forestry (UF) to update the tree permit fee schedule for FY 18-19. It increases certain tree permit fees, primarily those permits associated with development activity, in order to recover partial costs for the services provided. The fee increases are proposed as part of budget package PK_33 "Fee Increases – Enhanced Tree Permitting Services."

Urban Forestry is also proposing a new \$35 Tree Root Inspection fee. This fee will partially cover the cost of Tree Inspectors issuing permits to cut the roots of street trees adjacent to sidewalk projects. The fee initially will be implemented in voluntary sidewalk projects and sidewalk projects associated with development situations. Later, after process development is completed, it will be implemented where the sidewalk project was initiated by a Portland Bureau of Transportation sidewalk violation posting.

Finally, this fee schedule incorporates the Restoration Fee for unlawful damage or removal of a Heritage Tree as approved in RICAP 8.

Title 11 Trees, implemented in January 2015, increased regulatory responsibilities for UF and better-integrated UF into the review of development projects. As part of initial implementation, new tree permit fees and revisions to already-existing fees were created for FY 15-16. These fees were primarily based on projected new permit volumes and the staff time needed to conduct new and existing regulatory tasks.

As with other regulatory agencies' permit fees, UF tree permit revenues support the delivery of regulatory services. UF's General Fund budget also supports these services. Certain permit types, such as tree planting and pruning, are free of charge to encourage and inform activities that promote the City's tree infrastructure. Others, like tree removal permits in non-development situations, are kept low to reduce barriers to compliance. Fees for other regulatory scenarios, such as development and programmatic permits, are on a cost-recovery model.

Financial and budgetary impacts:

This ordinance will increase the fees paid for permit review and inspection in development situation. The development fee increases are proposed as part of budget package PK_33 "Fee

Increases – Enhanced Tree Permitting Services” which responds to the Mayor’s development permitting improvement project by adding staff and strategically realigning Urban Forestry’s organization structure to improve permitting services. This ordinance will increase cost recovery on development permits from approximately 44% currently to 85%. Additional revenue of approximately \$800,000 annually is anticipated from the increased fees.

Cost recovery. Staff tracked the average amount of time it takes to conduct permit processes. In the case of UF, this means (a) depending on the situation, visiting the site to assess the tree and ensure that the tree information provided by the applicant is correct; (b) evaluating application information and determining which regulation(s) apply; and (c) creating documentation and providing a written response to the applicant. As with other agencies, fees must also cover the time it takes to attend development permit reviews, meetings and public hearings. In short, the amount of time it takes to provide the service was multiplied by the costs of labor, together with overhead, in order to establish what true cost recovery would be. Therefore, the fees vary according to the permit type as well as the size and complexity of the permit process.

Impact. The impact of the fee on the total application fee for the customer, and how the fee compares with the fees charged by other regulating bureaus was also considered. Other bureaus’ regulatory fees vary widely, and the proposed UF fees are at the low end of that range. The increased fees will enable Urban Forestry to hire additional staff which will increase service to permitting customers.

Community impacts and community involvement:

PPR has been proactive in keeping customers and stakeholders informed and seeking their input regarding these proposed fee changes. Input from stakeholder groups helped to determine the amount of fees, and processes for which fees would be charged. The fee increases were presented at the following public forums, and no objections were raised:

- Development Review Advisory Committee, April 19, 2018
- Urban Forestry Commission – multiple meetings throughout the budget process

The goals of Title 11 are to maintain the benefits of trees to the community including clean air and water, resiliency to climate change, and neighborhood livability while maintaining transparent and fair regulations and fees to all businesses and residents. The fees proposed are intended to meet the expectations and direction of Title 11.

100% Renewable Goal:

N/A

Budgetary Impact Worksheet

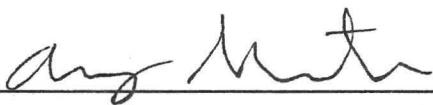
Does this action change appropriations?

- YES: Please complete the information below.
- NO: Skip this section

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

Attachment A: Proposed Title 11, Trees Fee Schedule FY 18-19

Attachment B: Proposed Title 11, Trees Fee Schedule FY 18-19 Research



 Finance Manager PP&R (Amy Archer-Masters)

5/2/2018

 Date