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190822

Ordinance

Amend permit fee schedules for building, electrical, land use services, mechanical, enforcement, plumbing, signs, site development, and land use services fee schedule for the Hearings Office

Passed

Amended by Council

The City of Portland ordains:

Section 1. The Council finds:

1. The Bureau of Development Services (BDS) promotes safety, livability, and economic vitality through efficient and collaborative application of building and development codes.
2. In 1988-89, the Development Services Operating Fund was established with a policy that construction-related programs in the fund would be full self-supporting. Since that time, BDS has kept these programs self-supporting by providing efficient, effective services and applying periodic, moderate fee increases that allow the bureau to respond to increasing costs and to be innovative and proactive in meeting changing customer needs.
3. BDS collects fees under various fee schedules, including building, land use, neighborhood inspections, plumbing, signs, site development, and others. These fees are used by BDS to fund inspections, plan review, permit issuance, land use review, code enforcement, customer assistance and other functions.
4. Fees charged for services delegated from the State Building Codes Division (BCD) must comply with the fee calculation methodologies as determined by BCD and described in Oregon Administrative Rule (OAR) 918-050-0000 through 918-050-0170.
5. Fees charged must be used to cover the costs of administering and enforcing the State Building Code only and may not be used to cover the costs of administering and enforcing local codes. Fees charged by BDS should cover the costs of providing the services.
6. BDS has been proactive in informing bureau customers and stakeholders regarding the need and rationale for the proposed fee

Introduced by

[Commissioner Dan Ryan](#)

Bureau

[Development Services \(BDS\)](#)

Contact

Elshad Hajiyev

Deputy Director

✉ elshad.hajiyev@portlandoregon.gov

📞 [503-823-7338](tel:503-823-7338)

Kyle O'Brien

Development Services

✉ kyle.obrien@portlandoregon.gov

📞 [503-823-7323](tel:503-823-7323)

📞 [711](tel:711) Oregon Relay Service

Requested Agenda Type

Regular

Portland Policy Document

changes. The bureau has published information about the proposed changes on its website.

7. Comparisons of major development related fees for seven sample projects, contained in Exhibit L, illustrating the cumulative effect of major fee changes across all development bureaus. Exhibit L is the result of a Development Review Advisory Committee (DRAC) recommendation that development bureaus address fee changes in a more collaborative fashion.
8. The following estimated collection increases are needed for BDS to reach budgetary goals for FY 2022-23, meet annual expenses and build or maintain prudent reserves:

Building/Mechanical Program	5%
Electrical Program	5%
Facility Permit Program	5%
Field Issuance Remodel Program	9%
Land Use Services Program	5%
Neighborhood Inspections Program	5%
Plumbing Program	5%
Signs Program	7%
Site Development Program	9%

NOW, THEREFORE, the Council directs:

- A. The Fee Schedules listed as exhibits A through K to this ordinance shall be effective July 1, 2022.
- B. This ordinance is binding City policy.

Documents and Exhibits

-  [Memo to Council](#) (84.7 Kb)
-  [Exhibit A](#) (829.24 Kb)
-  [Exhibit B](#) (732.31 Kb)
-  [Exhibit C](#) (727.97 Kb)
-  [Exhibit D](#) (735.72 Kb)
-  [Exhibit E](#) (735.04 Kb)
-  [Exhibit F](#) (736.64 Kb)
-  [Exhibit G - As Amended](#) (829.77 Kb)
-  [Exhibit H](#) (673.08 Kb)
-  [Exhibit I](#) (694.01 Kb)
-  [Exhibit J](#) (687.26 Kb)
-  [Exhibit K](#) (749.6 Kb)

 [Exhibit L](#) (2.04 Mb)

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed as amended by Council
May 18, 2022

Auditor of the City of Portland
Mary Hull Caballero

Impact Statement

Purpose of Proposed Legislation and Background Information

The Bureau of Development Services (BDS) collects fees under various fee schedules to fund inspections, plan review, permit issuance, land use review, customer assistance, and other functions. Most bureau programs have the goal to be self-supporting, while one program receives General Fund support.

BDS maintains a strong commitment to provide excellent programs and services while operating in a fiscally responsible manner. This commitment, coupled with recent decreases in demand for services, is resulting in proposed increases for most fees in FY 2022-23. BDS continues to strive to use its resources efficiently and keep costs as low as possible.

While the bureau recognizes the impact of increased fees on its customers, fee increases will be necessary to improve service levels, respond to current and future service level demands, and to operate closer to cost recovery. BDS is therefore proposing fee schedule changes to increase estimated collections to most programs by approximately 5%.

Financial and Budgetary Impacts

Proposed fee increases are expected to result in the following estimated changes to annual program collections:

Program	Estimated Collection Increases	
	Percent	Dollar (Full-Year)
Building/Mechanical Program	5%	\$ 1,368,485
Electrical Program	5%	\$ 251,879
Facility Permit Program	5%	\$ 146,933
Field Issuance Remodel Program	9%	\$ 281,198

Land Use Services Program	5%	\$	645,285
Neighborhood Inspections Program	5%	\$	84,353
Plumbing Program	5%	\$	187,732
Sign Program	7%	\$	21,160
Site Development Program	9%	\$	208,900
Total	5.5%	\$	3,195,924

Estimated collection increases are aggregated, however percentage change to individual fees may vary. The bureau's FY 2022-23 budget includes revenue from the fee increases proposed in this ordinance. As such this ordinance does not amend the BDS budget.

This legislation does not create, eliminate, or re-classify positions now or in the future. Additional staff time required is limited to performing outreach, preparing the revised fee schedules, and this subsequent legislation. Existing BDS staff will implement and administer the revised fee schedule as part of the existing workload. There is no change to demographic impacts or changes in staffing. The legislation does not result in a new or modified financial obligation or benefit, including IAs, IGAs, MOUs, grants, contracts, or contract amendments.

Community Impacts and Community Involvement

BDS has been proactive in keeping customers and stakeholders informed regarding these proposed fee changes. The bureau has published information about the proposed fee increases on its website. Additionally, division managers have reached out to appropriate industry organizations and committees.

The bureau knows these changes affect its customers' work and their willingness to do business in this area. BDS's interests are in delivering excellent levels of service and increasing its effectiveness on both its customers' and the community's behalf.

100% Renewable Goal

Not applicable.

Agenda Items

372 Time Certain in [May 11-12, 2022 Council Agenda](#)

Passed to second reading as amended

Motion to amend Bureau of Development Service fees for Type 1 Historic Reviews to gradually increase over the next five years instead of over one-year: Moved by Ryan and seconded by Wheeler. (Y-5)

416 Regular Agenda in [May 18-19, 2022 Council Agenda](#)

Passed As Amended

Commissioner Dan Ryan Yea

Commissioner Jo Ann Hardesty Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Yea