


Office of the Director
City of Portland, Oregon - Bureau of Development Services

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Memorandum
Date: February 8, 2010

To: Mayor Sam Adams
 Commissioner Nick Fish
 Commissioner Amanda Fritz
 Commissioner Randy Leonard
 Commissioner Dan Saltzman

From: Paul L. Scarlett, Director
 Bureau of Development Services

PLS

 Dean Marriott, Director *DM*
 Bureau of Environmental Services

RE: Proposal to Transfer Stormwater Review and Inspection Functions and Related Fees to BES and Create a New Commercial Site Review Fee Effective April 1, 2010

The Bureau of Development Services (BDS) with the cooperation of the Bureau of Environmental Services (BES) has prepared an ordinance proposing the transfer of the stormwater review and inspections functions and related fees to BES; and to create a new Commercial Site Review fee that will be effective April 1, 2010, to improve cost recovery for the Site Development Program in BDS.

Background

The Site Development Program in the Bureau of Development Services has undergone a 60% reduction in staffing resources over the past 6 months in response to the significant decline in permit revenue. The changes have necessitated an evaluation of the program's core functions, opportunities for efficiencies and strategies for improving cost recovery.

The program has focused on maintaining an acceptable level of service for its core functions which generally include (1) geotechnical, steep slope, flood hazard and erosion control plan review; (2) subdivision and private street land use review, permit review and inspection; and (3) on-site wastewater permit review and inspection.

Responsibilities for review and inspection of stormwater facilities mandated through the Bureau of Environmental Services Stormwater Management Manual are currently shared by BDS and BES. Some aspects of the work performed are duplicative and inefficient causing decisions to be delayed in some instances while consultation is made between BDS and BES. Consolidation of these responsibilities into a single bureau has been discussed on several occasions. BDS and BES agree that consolidating these responsibilities would reduce overlapping processes and streamline the permit review and inspection process. This proposal would consolidate the stormwater review and inspections functions and transfer the associated fees to BES.

Some core functions of Site Development remain below cost recovery. Most notable is geotechnical, steep slope and flood hazard review on commercial building permits. There are no fees currently

charged for this service. The creation of a new Commercial Site Review Fee will better align Site Development's core functions with revenue sources and improve cost recovery.

The transfer of stormwater review and inspection functions and creation of a new Commercial Site Review Fee will achieve the following:

- Streamlined Stormwater Regulation Implementation. Both BDS and BES review land use and building permit applications for conformance with the Stormwater Management Manual. Some aspects of this work are duplicative and often require consultation between Bureaus before a final decision can be made. In more limited cases, Bureaus may contradict each other, or plans may require a "re-review" by one Bureau after a decision by the other Bureau. Consolidating the process within BES will streamline the review process, improve consistency and create a clearer process from the applicant's perspective.
- Stormwater Concept to Construction Program. BES proposes a "concept to construction" approach for implementation of the Stormwater Management Manual requirements. BES staff will perform land use review, permit plan review and construction inspection of stormwater facilities. This will provide a single point-of-contact for stormwater issues on development projects and limit confusion between review staff, inspections staff, and customers.
- Focused Site Development Program. Transfer of the stormwater functions will allow the Site Development Program to focus on its core functions. Site Development has long been a "landing spot" for programs that did not seem to fit anywhere else. Earlier this year, the Party Sewer Program was transferred to BES and erosion control inspections were transferred to the Inspections Division. Although Site Development management and staff have provided excellent service to all of its customers, a more focused program will allow for improved analysis, program improvements and service enhancements for its core functions.
- Improved Cost Recovery for the Site Development Program. The proposed Commercial Site Review Fee will better align revenue sources with the core functions that Site Development performs. In FY 2008-09 the Site Development Program was at 50% cost recovery. In FY 2009-10, Site Development specific fees were increased and new fees established to bring the program closer to cost recovery. However, it was not until the end of three phases of staff lay-offs that Site Development was operating close to cost recovery. The proposed transfer of Stormwater fees to BES will add another \$150,000 to \$170,000 to the total projected FY 2009-10 Site Development Program deficit of approximately \$570,000. The proposed Commercial Site Review fee will better align revenue sources with the services provided.

If you have questions about the transfer of the stormwater program review and inspection functions or the new Commercial Site Review fee, please contact Paul at x37316, Dean at x35224 or via e-mail.