

fee and permit revenues. In 2008 and 2009 BDS implemented a variety of cost-saving measures designed to help maintain cost recovery, safeguard the bureau's financial health, and maintain a high level of customer service. Despite these efforts, the bureau had to increasingly use its reserve fund to meet operating costs and was eventually compelled to lay off nearly ½ of its employees in order to remain financially viable.

In the succeeding months, it has become clear that permit revenues have fallen more dramatically than the workload. The economy has halted nearly all construction of large development projects, which cost more and hence yield higher permit fees. As a result of the staff cuts, BDS does not have sufficient personnel to meet its current workload, and revenues do not support either current staffing or increasing staffing. In addition, since revenues have remained low and other funding is not available, BDS will be cutting 17 additional staff positions by the end of May.

While the bureau recognizes the impact that fee increases have on its customers, particularly in the current economic climate, it has become evident that moderate fee increases will be necessary in order to provide financial stability and ensure an acceptable level of services to bureau customers.

3. Explain the fiscal impact (current year and ongoing).

The fee changes cover actual costs of services as required by the IGA.

4. Explain any legal and/or policy issues involved.

Complies with ORS 294.160.

5. Explain any citizen and/or other government participation that has or will take place.

The County is holding the public hearing as required under ORS 294.160.

Required Signature

**Elected Official or
Department/
Agency Director:**

Date:
