



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(revised 12/31/09)

### Board Clerk Use Only

Meeting Date:	<u>6/23/11</u>
Agenda Item #:	<u>R.1</u>
Est. Start Time:	<u>9:30am</u>
Date Submitted:	<u>5/25/11</u>

<b>Agenda Title:</b>	<b>PUBLIC HEARING and Consideration of a RESOLUTION Establishing Fees and Charges for MCC Chapters 11.05 Land Use General Provisions, 11.15 Zoning, 11.45 Land Divisions, 37 Administration and Procedures, 38 Columbia River Gorge National Scenic Area and Repealing Resolution No. 2010-069.</b>
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*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.*

<b>Requested Meeting Date:</b>	<u>June 23, 2011</u>	<b>Amount of Time Needed:</b>	<u>5 minutes</u>
<b>Department:</b>	<u>Non-Departmental</u>	<b>Division:</b>	<u>Chair's Office</u>
<b>Contact(s):</b>	<u>Denise Kleim, Senior Business Operations Manager, City of Portland, Bureau of Development Services</u>		
<b>Phone:</b>	<u>(503) 823-7338</u>	<b>Ext.:</b>	<u></u>
<b>Presenter(s):</b>	<u>Denise Kleim</u>	<b>I/O Address:</b>	<u>299/5000/Kleim</u>

## General Information

### 1. What action are you requesting from the Board?

Public Hearing and adopt resolution to increase some land use services and site development fees in the area served by the City of Portland under intergovernmental agreement for MCC Chapter 37, Administration and Procedures, and repealing Resolution No. 2010-069 effective July 1, 2011.

### 2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The City of Portland provides land use and site development services in certain areas of unincorporated Multnomah County under an IGA which stipulates that fees charged for those services must cover the full cost of their provision. While these programs are currently meeting the cost recovery requirement, the City of Portland is proposing an overall increase of 8% in land use services and site development fees beginning July 1, 2011 in order to address long-standing financial deficits in both programs due to many years of not recovering the cost of services.

The fee increases are also necessary as BDS continues to weather the economic downturn. As construction activity declined sharply over the last few years, BDS experienced a dramatic drop in

fee and permit revenues, beginning in fall 2008 and continuing to the present. BDS responded aggressively by implementing a variety of cost-saving measures in 2008 and 2009, including program efficiencies, restructuring, and ceasing most spending on overtime, service contracts, and other discretionary spending. Even so, BDS had to increasingly use its reserve fund to meet operating costs and was eventually compelled to lay off over half of its employees in order to remain financially viable.

Despite these efforts, the bureau's current fee structure does not cover the costs of performing BDS' core land use, permit review, inspection and enforcement functions, since revenues have fallen further than the workload. As a result, bureau programs are currently at or below minimal staffing levels and services have been cut back significantly, negatively impacting customers, development projects, and neighborhood livability.

While BDS recognizes the impact that fee increases have on its customers, particularly in the current economic climate, not increasing fees would have significant impact on both the bureau and our customers and stakeholders:

- Service levels would remain at unacceptably low levels, hindering development at a time when it's desperately needed.
- Bureau reserves would remain at critically low levels.
- Cost recovery efforts would slip.

BDS is continuing a comprehensive approach focused on addressing service levels, funding, and staffing issues. Key elements of this effort include:

- Continue to seek efficiencies in bureau programs and services, including implementation of an online application and issuance system for trade permits.
- Continue to closely monitor finances.
- Request additional support from the City's General Fund for BDS's public service functions (Land Use Services, Neighborhood Inspections, Compliance Services, and Noise Control).
- Pursue cost recovery for services through fee increases.

**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.

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**Required Signature**

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



**Date:** 5/25/11