

2024 Supplemental Department Questions Planning & Development Services

Please answer the following questions in a word document and return to Council. The answers to these questions will be provided to council as supplemental information. While not part of the physical budget presentation to Council, departments should be prepared to answer questions Council may have on these supplemental questions. If you feel that you have provided an answer in a previous question, please don't repeat your answer, simply refer to the earlier question/answer.

Strategic Goals

1. Provide your 2024 strategic goals; how are they different from 2023? In what way, if at all, are your strategic changes demonstrated in your budget request?

PDS's ongoing Strategic Goals are centered around the mission statement "To enhance the quality of life for current and future generations by promoting protection of natural resources and facilitating the development of safe, sustainable and resilient communities." We do this by adhering to our values of Accountability, Service, Partnership, Integrity, Respect, and Equity. PDS employees strive to:

- PROVIDE the highest quality customer service.
- IMPROVE our service by adapting to the demands of a changing world.
- WORK as a cohesive unit.
- CREATE communities.
- DEVELOP innovative and cost-effective solutions.
- BALANCE available resources with future growth demands

The primary focus in 2023 is on continuous improvement. We want to continue to streamline the permitting process and reduce timeframes. Our budget is aligned with these goals as we have an Operational Improvement Program Manager in our staffing budget. We also have technology improvements budgeted in the Technology Reserve Fund (see discussion under "Internal Operations" below).

National, state and local landscape:

1. **What are the federal, state and local issues facing your work? What risks or opportunities does that create for you in 2024 and beyond? What is your plan to leverage the opportunity or mitigate the risk? What support do you need?**

Federal issues: Inflation and the state of the national economy affects PDS because we deal with the building industry. Rising mortgage rates, labor

shortages and supply chain issues affect the supply and price of housing. All of these factors impact how many housing units builders can and or want to build in unincorporated Snohomish County, which in turn affects the number of permit applications we receive, which in turn affects PDS revenue.

State issues: The Washington State Growth Management Act mandates the county update its Comprehensive Plan and critical areas regulations updates by December 2024. These projects are administered by Long Range Planning and paid for through the General Fund. If the county does not complete a thorough and timely update, which includes changes to policies, future land use designations and environmental analysis by PDS staff, other departments, and consultants, it risks being out of compliance with state and regional policies. PDS has mitigated this risk by developing a solid work plan, completing tasks in a timely manner, and providing updates to the County Council and the Executive's Office on the fiscal impacts of completing this work and the associated costs of consultants and environmental review over the next two years.

Local issues: The most significant local issue is housing. In addition, to factors at the federal level (interest rates, labor and supply chains), there is a lack of affordable housing for both very low, low and middle incomes. The volume of applications for new housing units directly affects PDS revenue.

Other local issues include continued pressure to preserve urban tree canopy, expansion of our local agricultural economy, planning for the expansion of Sound Transit's Link Light Rail, and creating jobs and diversifying our economy.

2. What, if any, new mandates do you have impacting your work? Are they funded or unfunded? What is the plan for accomplishing the work?

One new mandate is the Wildland-Urban Interface (WUI) code recently adopted in state building code. Implementation was slated for October 2023 but has been moved to March 2024. The WUI code is an unfunded mandate and will add another layer of review to building permits, meaning it will take more time to review and inspect construction projects. PDS is currently developing a plan to incorporate the additional review steps into its permit process.

While not specifically a new mandate there is considerable direction from state and regional plans to consider climate change at the countywide level. PDS is currently preparing a new climate change element for inclusion in the Comprehensive Plan. This new element will provide the policy basis for subsequent actions the county intends to take to mitigate the effects of climate

change. The state provided funding via a grant to Snohomish County to assist in the preparation of this new element.

New legislation related to land use permit review (Senate Bill 5290) may have a significant impact on PDS staffing. The state legislature adopted amendments to the Local Project Review Act, RCW 36.70B, with the intent to increase the timeliness and predictability of local project review. New time frames, which range between 65 days and 170 days depending on the type of project, will take effect on January 1, 2025. PDS is currently not meeting the 120-day time frames required in existing state law. PDS will be working on a plan to meet the new time frames which may require changes to permit processes, technology and staffing levels.

Programs

- 1. List programs, projects and services within your department funded through federal COVID/ARPA funds. What, if any, of those programs are you recommending ongoing funding for and what is the source of ongoing funding?**

None

- 2. For programs funded by COVID/ARPA funds, detail the plan to close out and/or transition those programs to an ongoing funding source in 2025 and beyond.**

None

- 3. What new programs are you launching for 2024? What need or efficiency is that new program addressing? How is that program funded for sustainability? What metrics are in place to determine effectiveness?**

None

- 4. If different than #3, what are your areas of significant investment? What are you not doing because of that investment?**

PDS is investing heavily in continuous improvement. We have an Operational Improvement Program Manager leading our CI efforts and we are working toward making significant progress on streamlining the permit process.

Internal Operations

- 1. What is your department doing to streamline processes or deliver services in a new way? How do your budget allocation requests play into these innovations? Are there ways which a different budget approach, e.g., several departments sharing a resource, could achieve the same or better results in a more cost-effective way?**

PDS is continually improving its processes and procedures. We frequently make improvements to our technology whether it be the MyBuildingPermit.com intake system or the Amanda permit tracking system. We have hired an Operational Improvement Program Manager to help with larger-scale process improvements and our strategic technology plan.

The PDS budget includes funding for the scanning of old microfiche which is ongoing through a vendor contract, as well as temporary staff to work on purging old paper files. PDS received an O&M grant from the Auditor's Office; the associated revenue and temporary staff expense are included in the PDS budget.

PDS would like to explore providing service in a new way with the public notice process. We continue to look for ways to improve the process, which is currently still a very manual and time-consuming process. Options are limited without changes to the county code; however, PDS may propose a code change to streamline the notice process.

PDS has a sufficient budget for innovation, in the form of a Technology Reserve Fund in Permitting. Due to the unique line of work PDS is in, we are not aware of any efficiencies to be gained via resource sharing or cost sharing with other departments, other than what is already in place (e.g., PDS, Public Works, and Conservation & Natural Resources collaboration).

- 2. What, if any, hiring challenges are you experiencing? How is that affecting your level of service or internal operations? How are you mitigating those operational challenges and/or what is your plan for recruitment?**

PDS has experienced significant challenges in hiring engineers, our most highly specialized staff. We previously had difficulty hiring plans examiners and senior planners; however, in 2023 we were able to fill all our vacancies in these areas. PDS's inability to hire permit review staff has negatively affected internal operations. PDS's permit review time frames have increased substantially due to staff shortages in engineering and plan review. Projects might be reviewed by other groups but get held up in engineering or plan review. PDS has tried to mitigate these challenges by contracting with third party consultants to perform drainage reviews and plan reviews. PDS has exhausted many avenues for

recruitment and the main issue is the salary. There is a severe nationwide shortage of engineers, and PDS cannot compete with salaries offered by private industry and other jurisdictions. Another mitigation strategy is to redirect staff where we need them. For example, we have trained building inspectors to be plans examiners since we are able to hire new building inspectors. We are beginning to attend career fairs and conduct outreach to engineering schools like UW and UW Bothell.

- 3. To help inform Council on experiences around hiring and retention, please provide a list of all vacant position titles, position codes, FTE amount (1.0, 0.5, etc.), date vacated, and date first posted. Template spreadsheet attached for convenience and conformity; if already tracking information in another format, that is acceptable as well. Please list each vacancy separately.**

See attachment.

- 4. What effect has the increase of inflation and/or supply chain issues had on your department? What, if any, services, or projects have you had to adjust to accommodate for this? (i.e., moving to outside contracted services, delaying of project starts and/or purchasing, redistribution of workload, etc.)**

Supply chain issues do not directly impact PDS operations because our work relies primarily on two things: staff and technology. Inflation has impacted PDS through higher salary costs and higher vehicle expenses. Inflation in wages across the region has resulted in PDS falling behind in salaries, particularly engineers which are in short supply, which has made it even more difficult to recruit and hire new staff. PDS is also indirectly impacted by inflation due to the higher cost of housing which impacts the building industry, which in turn impacts PDS's revenue.

- 5. When was the last time your department implemented a fee increase? Do you have any plans to increase fees?**

PDS implemented Phase I of its fee study in November 2020. Phase II was implemented in November 2021. PDS plans another fee increase (Phase III) in early 2024.

6. Do you have any plans to do a rate/fee study? Are your current fees established based on a full cost recovery model?

Yes, PDS is in the middle of a years-long fee study. We are currently in Phase III of the study. Yes, PDS's fee structure is based on a full cost recovery model as PDS is a self-supporting department.

Successes

1. Take this opportunity to share one significant success in your department over this past year. What made it a success?

After 6 years of development, on October 31, 2022, PDS implemented the PDS Online Records Tool ([PDS Online Records \(snoco.org\)](https://snoco.org)). The vision for electronic permitting and records was established in 2004. In 2016, work on the new OpenText Electronic Content Management (ECM) system officially began with a consultant's report on a recommended path forward. In 2018, a contract with OpenText was finalized and design work on the new ECM began. A prototype was built in 2018-2019, which by 2020 turned into fully operational internal ECM that was pushed out to all county employees in the spring of 2021. In the fall of 2022, the system went live to the public.

The PDS Online Records Tool has changed how we deliver permitting records services to the public who are seeking archival and current documents related to permits, land use decisions and code enforcement cases. This is truly a difference maker for our residents to have immediate access to view permitting records. The tenacity and energy that so many people brought to the table to design, build, and implement the PDS Online Records Tool is amazing. PDS is very proud of this success, and it is having a positive impact on our business. We have seen a 40% decrease in the number of information requests we receive. Frequent requestors of permitting records have also expressed their appreciation and satisfaction with the new online tool.