

2025-2026 Supplemental Department Questions
Planning & Development Services

Strategic Goals

1. Provide your 2025-2026 strategic goals; How are they reflected in your budget request?
 - *Meet new permit review time frames mandated in state law which will dramatically improve PDS's customer service. This will benefit builders and homeowners by allowing them to start their projects sooner, which creates more available housing for the community. We have asked for 6 new FTEs to meet this goal.*
 - *Continue to propose and process Code Amendments which helps streamline the permitting process and update development regulations. No additional budget is needed to meet this goal.*
 - *Implement a new online permitting intake system for applicants which will be a part of PDS's permit tracking software (Amanda). This will eliminate the redundant work and inefficiencies of utilizing and connecting two different software systems. Having one streamlined software system will help PDS achieve the new mandated permit review time frames by cutting out waste in the process.*

National, state and local landscape:

1. What critical issues are you facing in your department/industry, and how are you addressing them?
 - *New mandated time frames for building permits and land use approval are having a significant impact on PDS's operations and staffing. See #2 below for how PDS is addressing this issue. In addition, there is a regional and nationwide shortage of civil engineers that is severely limiting PDS's ability to hire and retain engineering staff, which in turn affects our ability to review permit applications in a timely manner. Raising salaries for the engineering positions will help; however, it will not solve the overall shortage of engineers in the applicant pool. We have taken extra steps to recruit engineers such as working with external recruiting firms and attending career fairs at the University of Washington, to no avail. Finding qualified engineers remains an ongoing challenge for PDS. As an alternative solution, we have hired on-call consultants to perform permit reviews; however, this is expensive and is having a significant impact on PDS's budget.*

2. Are there federal, state, and local issues/mandates that will impact your department, operationally and/or fiscally. Please address what it is, the anticipated impact, and how you plan to mitigate it.
 - *New state law mandating certain permit review time frames (Senate Bill 5290). The impact to the department is significant, and there are consequences for failing to meet the time frames unless certain steps are taken or processes are put into place which are designed to help jurisdictions meet the time frames. PDS is mitigating the impact by (1) adopting code changes that address the proactive steps mandated in state law, (2) hiring and training 6 additional staff to handle the volume of permits, (3) hiring on-call contractors to perform drainage and traffic reviews due to staff shortages; and (4) implementing a new Key Performance Indicator dashboard to monitor progress on meeting established time frames.*

Programs

1. With ARPA funding ending, what programs/services will be impacted and how? What is your plan for mitigating the impacts?
 - *Not applicable to PDS*
2. What new programs are you proposing for 2025-2026? What need or efficiency is that new program addressing? How is that program funded for sustainability? What metrics are in place to determine effectiveness?
 - *Not applicable to PDS*
3. Are there departmental change requests not in the Executive's Recommended Budget that you feel Council should consider including? If so, please provide the change request number and justification for the inclusion of the request.
 - *No. The department supports the Executive's proposed budget.*

Internal Operations

1. Please explain how you intended to meet the Executive's 3% Resource Alignment request.
 - *Through reduced spending on professional services and other expenses, in addition to cost savings from vacant positions.*

2. How are increasing Internal Service Rates impacting your department/programs?
 - *Increased internal service rates affect PDS heavily. The internal service overhead rate per employee has risen from around \$19,000 per employee in 2024 to over \$21,000 per employee in 2025-2026. This translates to an additional \$450,000 in expenses in PDS's biennial budget. About \$391,000 of this increase will need to be covered by building and land use permit fees (the remaining is covered by the General Fund).*

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 attached list.*

4. When was the last time your department implemented a fee increase? Do you have any plans to increase fees? Are your current fees established based on a full cost recovery model?
 - *The last time PDS increased fees was in 2021. PDS has completed Phase I (in 2020) and Phase II (in 2021) of a Fee Alignment Project. We have been working on Phase III for at least two years but have not submitted a proposal to Council yet because revenue has been coming in higher than budgeted, and we have not actually experienced the budget deficits we anticipated. We were also waiting to see what PDS's final 2025-2026 budgeted expenses would be so that we can factor that into any fee proposal. Now that the AFSCME union contract is being finalized, we have a better sense of what 2025-2026 salary and benefits expenses will be. The gap between budgeted revenues and anticipated expenses has grown through the budget process and is not sustainable into future years. We anticipate bringing the Phase III fee proposal forward to Council in the coming months so that we can align permit fees with the higher cost of doing business.*