

2023 Budget Supplemental Questions

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 2023 strategic goals; how are they different from 2022? 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.

In 2022, PDS adopted more specific goals as follows:

- a. Streamline Land Use Application Review Process and Reduce Timeframes
- b. Space Analysis – create a long-term space plan for PDS
- c. Fees – Complete Phase III of 2020-2022 Fee Alignment Project
- d. Permitting Supervisor and Management Structure – Evaluate and determine optimal size and type of leadership needed

The primary focus in 2023 will be 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 a new 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 2023 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 is in progress but will become mandatory in 2023. 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 has provided funding via a grant to Snohomish County to assist in the preparation of this new element.

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. What new programs are you launching for 2023? 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

- 3. If different than #2, 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 converted our Deputy Director position to a Continuous Improvement Program Manager who will lead our CI efforts and hopefully make 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 always 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 a Continuous Improvement Program Manager to help with larger-scale process improvements and our strategic technology plan.

We intend to deliver services in a new way when we implement the PDS Public Records Portal this fall. The development of the new OpenText Electronic Content Management (ECM) system has been ongoing for several years and we are in the final stages of developing the new external portal which will provide online access for the public to view permitting records.

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.

In 2022, PDS implemented a Chat Bot on its website to help customers find permitting information quickly and easily. Funding for this is included in PDS's IT costs.

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 challenges in hiring highly specialized staff, such as Engineers, Residential Plans Examiners, and Senior Planners. PDS's inability to hire these staff has negatively affected internal operations. PDS's permit review time frames have increased substantially due to staff shortages in these positions. Projects might be reviewed by other groups but get held up in engineering or plan review. PDS has mitigated these challenges by recently 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 are training building inspectors to be plans examiners since we are able to hire new building inspectors.

- 3. Please provide a list of all vacant position titles, position codes, date vacated, and date first posted. This should be a separate page or spreadsheet attachment.**

See attachment A.

- 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. PDS is also indirectly impacted by inflation due to the higher cost of housing which impacts the building industry which impacts PDS's revenue.

Successes

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

PDS's biggest success has been the implementation of remote work. We have been able to maintain equal or higher productivity from staff. We have consolidated our space onto 2West which reduces PDS overhead expenses in the long-term and frees up space on 2East for other departments. What has made remote work successful for PDS is clear expectations of staff, measuring productivity, and robust online collaboration with each other and with customers as needed.

Attachment A

List of Vacant Positions in PDS

Title	Position #	Date Vacated	Date First Posted
Engineer III	PDS8323R	3/31/2022	1/6/2022
Engineer III	PDS1904R	7/4/2022	9/12/2022
Engineering Supervisor	PDS4248R	3/21/2022	3/10/2022
Plans Examiner	PDS4226R	9/2/2022	11/30/2021
Plans Examiner Commercial	PDS1907R	6/30/2022	N/A (on hold)
Senior Planner	PDS3424R	5/1/2022	6/15/2022
Building Inspector	PDS1961R	9/2/2022	N/A (in progress)
Building Inspector II	PDS1987R	7/16/2022	N/A (on hold)
SCT Manager	PDS2014R	9/16/2022	N/A (in progress)
Zoning Specialist	PDS2183R	5/1/2022	N/A (in progress)
Accounting Specialist	PDS4181R	9/8/2022	9/23/2022