
Permitting Services

MISSION STATEMENT

The mission of the Department of Permitting Services (DPS) is to protect the safety and welfare of County residents and businesses through the permitting and inspections process to ensure that the structures in which we live, work, congregate, and recreate are safe, secure and in compliance with zoning and building requirements. DPS contributes to the economic vitality of Montgomery County through the effective and efficient processing of land development and building construction permits and licenses.

BUDGET OVERVIEW

The total recommended FY14 Operating Budget for the Department of Permitting Services is \$29,642,071, an increase of \$2,022,877 or 7.3 percent from the FY13 Approved Budget of \$27,619,194. Personnel Costs comprise 73.0 percent of the budget for 195 full-time positions and one part-time position. A total of 200.50 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 27.0 percent of the FY14 budget.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***An Effective and Efficient Transportation Network***
- ❖ ***Healthy and Sustainable Neighborhoods***
- ❖ ***Safe Streets and Secure Neighborhoods***
- ❖ ***Strong and Vibrant Economy***
- ❖ ***Vital Living for All of Our Residents***

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY13 estimates reflect funding based on the FY13 approved budget. The FY14 and FY15 figures are performance targets based on the FY14 recommended budget and funding for comparable service levels in FY15.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***DPS developed and launched on-line permits for electrical and mechanical permits. Additional on-line permit applications and issuance are in development including an electronic plan submission pilot.***
- ❖ ***Enforcement in support of the County's Respect the Space initiative was implemented establishing standards for handicap access.***
- ❖ ***The Streamlining Development initiative was launched to identify areas of cross-agency process simplification and improvements.***
- ❖ ***The department developed investigation processes and procedures for building code and zoning violations.***
- ❖ ***DPS implemented utility filing fees for work within the public rights-of-way.***
- ❖ ***In conjunction with Montgomery County Planning Board, the department amended a memorandum of understanding for continued DPS site plan enforcement.***

- ❖ **The department processed plans for 27.8 million square feet of construction.**
- ❖ **DPS will implement the Design for Life Certification Program and has initiated new erosion, sediment control, and drainage requirements.**
- ❖ **The department revised Transportation and School Impact Tax collection for deferred payment pursuant to Bill 26-11.**
- ❖ **DPS is developing a program for tree protection in connection with construction.**
- ❖ **Productivity Improvements**
 - **Developed an inspections quality control program and technical training programs through new field supervision.**
 - **Completed upgrade to Hansen 8 which allows on-line permit applications.**
 - **In coordination with Fire and Rescue Service, established procedure to issue occupancy capacity certificates eliminating the need for applicants to seek approvals from multiple departments for permit closure.**
 - **Successfully launched fire protection systems inspections unit for new permitted construction reducing inspection scheduling times from 4-6 weeks to 24 hours.**
 - **Developed e-copy for approved plan submittal for rights-of-way and sediment control to reduce paper, improve efficiency, and reduce scanning costs.**
 - **In coordination with the department of Housing and Community Affairs, initiated establishment of code references such that single visits by the departments can efficiently address multiple cross-agency violations eliminating the need for duplicative and unnecessary inspections.**

PROGRAM CONTACTS

Contact Barbara Comfort of the Department of Permitting Services at 240.777.6244 or Dennis Hetman of the Office of Management and Budget at 240.777.2770 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Land Development

The Land Development program is responsible for ensuring the protection of the County's land and water resources and for the protection of the environment and the safety of residents and businesses through its engineering and inspection functions related to stormwater management, sediment control, floodplain management, special protection areas, well-and-septic systems approval, storm drain design and construction, and work in the public right-of-way.

| FY14 Recommended Changes | Expenditures | FTEs |
|---|---------------------|--------------|
| FY13 Approved | 7,231,798 | 62.50 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | -461,664 | -4.00 |
| FY14 CE Recommended | 6,770,134 | 58.50 |

Customer Service

The Customer Service program ensures customer service and satisfaction. This division measures customer satisfaction through communication and public outreach. Customer service receives complaints, processes information requests, responds to departmental correspondence, maintains the DPS web site, publishes the DPS newsletter, and coordinates outreach events and seminars for residents, civic organizations and professionals. Customer Service assists applicants with intake and issuance of permits and facilitates the processing of permits for "green tape" projects (i.e., affordable housing and areas such as the Silver Spring, Wheaton, and Long Branch enterprise zones). This division develops customer service surveys for the department, analyzes the results, reports findings, and recommends a course of action for improvement.

| Program Performance Measures | Actual FY11 | Actual FY12 | Estimated FY13 | Target FY14 | Target FY15 |
|--|--------------------|--------------------|-----------------------|--------------------|--------------------|
| Response time on complaint investigations - Average number of days from the complaint being filed to first contact between a Permitting Inspector and the customer | 5.0 | 5.01 | 4.00 | 5.00 | 5.00 |
| Response time on complaint investigations - Average number of days from the complaint being filed to final resolution of the complaint | 14.0 | 7.31 | 17.00 | 17.00 | 17.00 |
| Percent of complaints that are resolved on the first inspection | 80.0 | 69.18 | 75.00 | 75.00 | 75.00 |

| FY14 Recommended Changes | Expenditures | FTEs |
|---|---------------------|--------------|
| FY13 Approved | 1,013,812 | 11.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 52,845 | 0.00 |
| FY14 CE Recommended | 1,066,657 | 11.00 |

Building Construction

The Building Construction program ensures public safety and welfare through the effective enforcement of construction, zoning codes and standards, and site plan requirements. This division reviews engineering plans for permit issuance and conducts construction inspections in the administration and enforcement of building, structural, electrical, mechanical, fire-safety, energy conservation, green building, and accessibility codes and standards. This division assists businesses and applicants through pre-submission meetings and guidance. County zoning standards are maintained by this division through review of building applications for zoning compliance and investigation of zoning complaints. The program is also responsible for conducting county-wide damage assessments during natural and other disasters and incidents and provides assistance in disaster recovery efforts.

| Program Performance Measures | Actual FY11 | Actual FY12 | Estimated FY13 | Target FY14 | Target FY15 |
|---|--------------------|--------------------|-----------------------|--------------------|--------------------|
| Average number of days to issue a permit - New construction: Commercial permits | 160.0 | 163.0 | 163.0 | 163.0 | 163.0 |
| Average number of days to issue a permit - New construction: Residential permits | 110.0 | 88.25 | 75.00 | 80.00 | 80.00 |
| Average number of days to issue a permit - Additions: Commercial permits | 78.0 | 60.95 | 65.00 | 85.00 | 85.00 |
| Average number of days to issue a permit - Additions: Residential permits | 21.0 | 16.02 | 21.00 | 21.00 | 21.00 |
| Median number of minutes to issue a permit - Permits for commercial alterations obtained using the Department of Permitting Services' Fast Track process | 140.0 | 146.50 | 140.00 | 140.00 | 140.00 |
| Median number of minutes to issue a permit - Residential permits using the Department of Permitting Services' Fast Track process | 60.0 | 58.0 | 60.00 | 60.00 | 60.00 |
| Percent of building permits issued that received a final inspection: Commercial permits | 38.0 | 20.30 | 50.00 | 60.00 | 60.00 |
| Percent of building permits issued that received a final inspection: Commercial permits through the Department of Permitting Services' Fast Track process | 77.0 | 44.77 | 75.00 | 80.00 | 80.00 |
| Percent of building permits issued that received a final inspection: Residential new construction | 85.0 | 28.81 | 60.00 | 70.00 | 70.00 |
| Percent of building permits issued that received a final inspection: Residential all construction | 70.0 | 40.97 | 65.00 | 70.00 | 70.00 |

| FY14 Recommended Changes | Expenditures | FTEs |
|---|---------------------|---------------|
| FY13 Approved | 12,587,392 | 112.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 499,198 | 5.90 |
| FY14 CE Recommended | 13,086,590 | 117.90 |

Administration

The Administration program provides policy development and leadership for all programs within the department. Staff specialists are responsible for a full range of administrative, financial, and budgetary tasks, including daily operations, automation, human resources management, training, safety, quality assurance, legislative coordination, space management, historic files management, and management services.

| FY14 Recommended Changes | Expenditures | FTEs |
|---|---------------------|--------------|
| FY13 Approved | 6,786,192 | 12.10 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 1,932,498 | 1.00 |
| FY14 CE Recommended | 8,718,690 | 13.10 |

BUDGET SUMMARY

| | Actual FY12 | Budget FY13 | Estimated FY13 | Recommended FY14 | % Chg Bud/Rec |
|--|------------------------|------------------------|---------------------------|-----------------------------|--------------------------|
| PERMITTING SERVICES | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 14,020,752 | 15,432,309 | 15,218,531 | 15,698,262 | 1.7% |
| Employee Benefits | 5,003,458 | 5,914,325 | 5,957,361 | 5,944,558 | 0.5% |
| Permitting Services Personnel Costs | 19,024,210 | 21,346,634 | 21,175,892 | 21,642,820 | 1.4% |
| Operating Expenses | 6,103,579 | 6,272,560 | 6,706,760 | 7,999,251 | 27.5% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| Permitting Services Expenditures | 25,127,789 | 27,619,194 | 27,882,652 | 29,642,071 | 7.3% |
| PERSONNEL | | | | | |
| Full-Time | 182 | 192 | 192 | 195 | 1.6% |
| Part-Time | 1 | 1 | 1 | 1 | — |
| FTEs | 177.80 | 197.60 | 197.60 | 200.50 | 1.5% |
| REVENUES | | | | | |
| Automation Enhancement Fee | 3,607,755 | 2,864,710 | 3,718,124 | 2,936,433 | 2.5% |
| Building Permits | 20,076,785 | 14,343,500 | 17,210,237 | 14,486,935 | 1.0% |
| Electrical Permits and Licenses | 3,627,699 | 2,726,170 | 4,490,112 | 2,753,431 | 1.0% |
| Fire Code Enforcement Permits | 730,298 | 1,529,410 | 1,604,070 | 1,544,704 | 1.0% |
| Grading/Storm Drains/Paving/Driveway Permits | 5,352,546 | 4,737,000 | 5,270,438 | 4,784,370 | 1.0% |
| Investment Income | 125 | 4,520 | 0 | 4,520 | — |
| Mechanical Construction Permit | 1,400,103 | 751,670 | 1,435,476 | 759,187 | 1.0% |
| Miscellaneous Revenues | 27,137 | 0 | 0 | 0 | — |
| Occupancy Permits | 524,501 | 555,760 | 758,994 | 561,318 | 1.0% |
| Parking Fees | -54 | 0 | 0 | 0 | — |
| Sediment Control Permits | 2,598,757 | 2,569,000 | 3,033,930 | 2,569,000 | — |
| Sign Permits | 178,605 | 196,510 | 168,348 | 196,510 | — |
| Special Exception Fee | 229,538 | 232,010 | 219,369 | 232,010 | — |
| Stormwater Mgmt and Water Quality Plan Fee | 361,116 | 518,260 | 315,220 | 467,345 | -9.8% |
| Well and Septic | 308,512 | 293,870 | 214,096 | 293,870 | — |
| Other Charges/Fees | 61,066 | 72,100 | 69,144 | 72,100 | — |
| Other Fines/Forfeitures | 65,153 | 87,270 | 52,454 | 0 | — |
| Other Licenses/Permits | 766,149 | 639,030 | 953,668 | 639,030 | — |
| Permitting Services Revenues | 39,915,791 | 32,120,790 | 39,513,680 | 32,300,763 | 0.6% |

FY14 RECOMMENDED CHANGES

| | Expenditures | FTEs |
|---|-------------------|---------------|
| PERMITTING SERVICES | | |
| FY13 ORIGINAL APPROPRIATION | 27,619,194 | 197.60 |
| Changes (with service impacts) | | |
| Enhance: Reorganization: Add 1 Chief Operating Officer, 2 Plan Reviewers, Contractual Services for Permitting Reviewers, Inspectors, and Administrators | 1,390,766 | 3.00 |
| Enhance: Information Technology Replacement Plan | 651,989 | 0.00 |
| Add: Consultant services for Design for Life and Streamlining Development initiatives | 200,000 | 0.00 |
| Other Adjustments (with no service impacts) | | |
| Increase Cost: FY14 Compensation Adjustment | 641,921 | 0.00 |
| Increase Cost: Retirement Adjustment | 238,238 | 0.00 |
| Increase Cost: Office Rent Increase | 128,997 | 0.00 |
| Increase Cost: Annualization of FY13 Lapsed Positions | 73,230 | 0.00 |
| Increase Cost: Staff Training | 50,000 | 0.00 |
| Increase Cost: Other Labor Contract Costs | 34,781 | 0.00 |
| Increase Cost: Maintenance of Information Technology Systems | 10,871 | 0.00 |
| Increase Cost: Printing and Mail Adjustment | 3,705 | 0.00 |
| Technical Adj: MC311 reduced FTEs charged to Permitting Services | 0 | -0.10 |
| Decrease Cost: Risk Management Adjustment | -11,700 | 0.00 |
| Decrease Cost: Motor Pool Adjustment | -26,497 | 0.00 |
| Decrease Cost: Group Insurance Adjustment | -59,938 | 0.00 |
| Decrease Cost: Retiree Health Insurance Pre-Funding | -186,410 | 0.00 |
| Decrease Cost: Elimination of One-Time Items Approved in FY13 | -201,600 | 0.00 |
| Decrease Cost: Elimination of FY13 \$2,000 Lump Sum | -367,847 | 0.00 |
| Decrease Cost: Annualization of FY13 Personnel Costs | -547,629 | 0.00 |
| FY14 RECOMMENDED: | 29,642,071 | 200.50 |

PROGRAM SUMMARY

| Program Name | FY13 Approved | | FY14 Recommended | |
|-----------------------|-------------------|---------------|-------------------|---------------|
| | Expenditures | FTEs | Expenditures | FTEs |
| Land Development | 7,231,798 | 62.50 | 6,770,134 | 58.50 |
| Customer Service | 1,013,812 | 11.00 | 1,066,657 | 11.00 |
| Building Construction | 12,587,392 | 112.00 | 13,086,590 | 117.90 |
| Administration | 6,786,192 | 12.10 | 8,718,690 | 13.10 |
| Total | 27,619,194 | 197.60 | 29,642,071 | 200.50 |

FUTURE FISCAL IMPACTS

| Title | CE REC. | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 |
| (\$000's) | | | | | | |
| This table is intended to present significant future fiscal impacts of the department's programs. | | | | | | |
| PERMITTING SERVICES | | | | | | |
| Expenditures | | | | | | |
| FY14 Recommended | 29,642 | 29,642 | 29,642 | 29,642 | 29,642 | 29,642 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Labor Contracts | 0 | 848 | 1,056 | 1,056 | 1,056 | 1,056 |
| These figures represent the estimated cost of general wage adjustments, new service increments, and associated benefits. | | | | | | |
| Labor Contracts - Other | 0 | 0 | -35 | -35 | -35 | -35 |
| These figures represent other negotiated items included in the labor agreements. | | | | | | |
| IT Maintenance Costs | 0 | 31 | 35 | 139 | 88 | 193 |
| Represents additional maintenance costs for the system upgrades and post-warranty maintenance for servers, scanners, and printers. | | | | | | |
| IT Replacement Plan | 0 | -100 | -460 | -600 | -532 | 29 |
| Key components of Permitting Service's technology replacement plan include: | | | | | | |
| FY14 Scanners (\$31,500), Servers (\$600,000); | | | | | | |
| FY15 Printers (\$60,000), Scanners (\$31,500), Database servers and services (\$440,000); | | | | | | |
| FY16 Scanners (\$31,500), Network switch (\$140,000); | | | | | | |

| Title | CE REC. | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | FY14 | FY15 | FY16 | (\$000's) | | |
| | FY17 | FY18 | FY19 | | | |
| FY17 Scanners (\$31,500); FY18 Scanners (\$100,000); FY19 Printers (\$60,000), Servers (\$600,000). | | | | | | |
| Office Rent Represents projected rent increase. | 0 | 116 | 238 | 366 | 501 | 642 |
| Retiree Health Insurance Pre-Funding These figures represent the estimated cost of the multi-year plan to pre-fund retiree health insurance costs for the County's workforce. | 0 | -36 | -84 | -125 | -177 | -250 |
| Subtotal Expenditures | 29,642 | 30,501 | 30,393 | 30,444 | 30,544 | 31,277 |

FY14-19 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Permitting Services

| FISCAL PROJECTIONS | FY13 ESTIMATE | FY14 REC | FY15 PROJECTION | FY16 PROJECTION | FY17 PROJECTION | FY18 PROJECTION | FY19 PROJECTION |
|---|----------------------|---------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| ASSUMPTIONS | | | | | | | |
| Indirect Cost Rate | 12.13% | 15.69% | 15.69% | 15.69% | 15.69% | 15.69% | 15.69% |
| CPI (Fiscal Year) | 2.3% | 2.3% | 2.4% | 2.7% | 3.2% | 3.5% | 3.7% |
| Investment Income Yield | 0.16% | 0.19% | 0.36% | 0.75% | 1.35% | 1.80% | 2.15% |
| BEGINNING FUND BALANCE | 7,874,584 | 17,596,842 | 13,138,255 | 12,710,973 | 12,132,137 | 11,106,461 | 9,567,673 |
| REVENUES | | | | | | | |
| Licenses & Permits | 35,673,958 | 29,287,710 | 29,990,615 | 30,809,359 | 31,779,854 | 32,876,259 | 34,102,543 |
| Charges For Services | 3,787,268 | 3,008,533 | 3,080,738 | 3,164,842 | 3,264,534 | 3,377,161 | 3,503,129 |
| Fines & Forfeitures | 52,454 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 4,520 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Revenues | 39,513,680 | 32,300,763 | 33,071,353 | 33,974,201 | 35,044,388 | 36,253,419 | 37,605,672 |
| INTERFUND TRANSFERS (Net Non-CIP) | | | | | | | |
| Transfers To The General Fund | (1,908,770) | (2,619,304) | (2,805,565) | (2,720,650) | (2,754,250) | (2,778,240) | (2,800,640) |
| Indirect Costs | (3,062,540) | (3,773,074) | (3,959,335) | (3,874,420) | (3,908,020) | (3,932,010) | (3,954,410) |
| DCM Replacement | (2,589,920) | (3,395,760) | (3,528,870) | (3,556,040) | (3,556,040) | (3,556,040) | (3,556,040) |
| Technology Modernization CIP Project | (109,020) | (109,020) | (191,980) | (218,380) | (251,980) | (275,970) | (298,370) |
| Pictometry Services (DTS) | (211,600) | (168,294) | (138,485) | 0 | 0 | 0 | 0 |
| DOT Lab Testing Transfer | (52,000) | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers From The General Fund | (100,000) | (100,000) | (100,000) | (100,000) | (100,000) | (100,000) | (100,000) |
| Payment for Public Agency Permits | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 |
| Payment for Green Tape Position | 1,059,660 | 1,059,660 | 1,059,660 | 1,059,660 | 1,059,660 | 1,059,660 | 1,059,660 |
| | 94,110 | 94,110 | 94,110 | 94,110 | 94,110 | 94,110 | 94,110 |
| TOTAL RESOURCES | 45,479,494 | 47,278,301 | 43,404,043 | 43,964,524 | 44,422,275 | 44,581,640 | 44,372,705 |
| PSP OPER. BUDGET APPROP/ EXP'S. | | | | | | | |
| Operating Budget | (27,882,652) | (29,642,071) | (29,834,051) | (31,081,381) | (32,513,781) | (34,112,191) | (35,887,231) |
| Labor Agreement | n/a | 0 | (848,407) | (1,021,566) | (1,021,566) | (1,021,566) | (1,021,566) |
| IT Maintenance | n/a | n/a | (30,948) | (34,975) | (139,083) | (88,273) | (192,547) |
| IT Replacement Plan | 0 | 0 | 100,000 | 460,000 | 600,000 | 531,500 | (28,500) |
| Office Rent | 0 | 0 | (116,154) | (238,115) | (366,174) | (500,637) | (641,822) |
| Retiree Health Insurance Pre-Funding | n/a | n/a | 36,490 | 83,650 | 124,790 | 177,200 | 249,880 |
| Subtotal PSP Oper Budget Approp / Exp's | (27,882,652) | (29,642,071) | (30,693,070) | (31,832,387) | (33,315,814) | (35,013,967) | (37,521,786) |
| OTHER CLAIMS ON FUND BALANCE | 0 | (4,497,975) | 0 | 0 | 0 | 0 | 0 |
| TOTAL USE OF RESOURCES | (27,882,652) | (34,140,046) | (30,693,070) | (31,832,387) | (33,315,814) | (35,013,967) | (37,521,786) |
| YEAR END FUND BALANCE | 17,596,842 | 13,138,255 | 12,710,973 | 12,132,137 | 11,106,461 | 9,567,673 | 6,850,919 |
| END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES | 38.7% | 27.8% | 29.3% | 27.6% | 25.0% | 21.5% | 15.4% |

Notes and Assumptions:

- These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
- Revenue projections in FY14 and future years assume a gradual increase in construction market activity.
- Key components of Permitting Service's technology replacement plan include:
 FY14 Scanners (\$31,500), Servers (\$600,000);
 FY15 Printers (\$60,000), Scanners (\$31,500), Database servers and services (\$440,000);
 FY16 Scanners (\$31,500), Network switch (\$140,000);
 FY17 Scanners (\$31,500);
 FY18 Scanners (\$100,000);
 FY19 Printers (\$60,000), Servers (\$600,000).