

Memorandum



CITY OF DALLAS

DATE November 1, 2023
TO Honorable Mayor Pro Tem Atkins, Vice Chair Omar Narvaez, Carolyn King Arnold, Adam Bazaldua, Paul Ridley, Kathy Stewart, Chad West
SUBJECT **Economic Development Updates- Fee Study for Building Permit Fees for the Development Services Department**

This Memo serves as clarification to the Economic Development Committee Chairman as it relates the Final Draft Fee Study contracted with MGT Consulting of America, LLC. The Development Services Department (DSD) intends to brief the Committee on the progress of the fee study as part of the overall briefing for the Development Services Monthly Technology and Metrics Review agenda item on November 6, 2023, then provide an agenda item to fully brief the fee study to the Economic Development Committee on December 4, 2023, before taking it to full City Council on December 13, 2023, for adoption.

Should you have any questions please contact Andrew Espinoza, Director/Chief Building Official of Development Services at (214) 542-1227 or andres.espinoza@dallas.gov.

A handwritten signature in blue ink, appearing to read 'M. Al-Ghafry'.

Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors



City of Dallas

Development Services Monthly Technology and Metrics Review

**Economic Development
Committee
November 6, 2023**

Andrew Espinoza, Director/Chief Building Official
Development Services
City of Dallas

Presentation Overview



- Technology
- Metrics
- Fee Study
- Commercial Permit Dashboard
- Hiring and Recruitment
- Next Steps



Technology



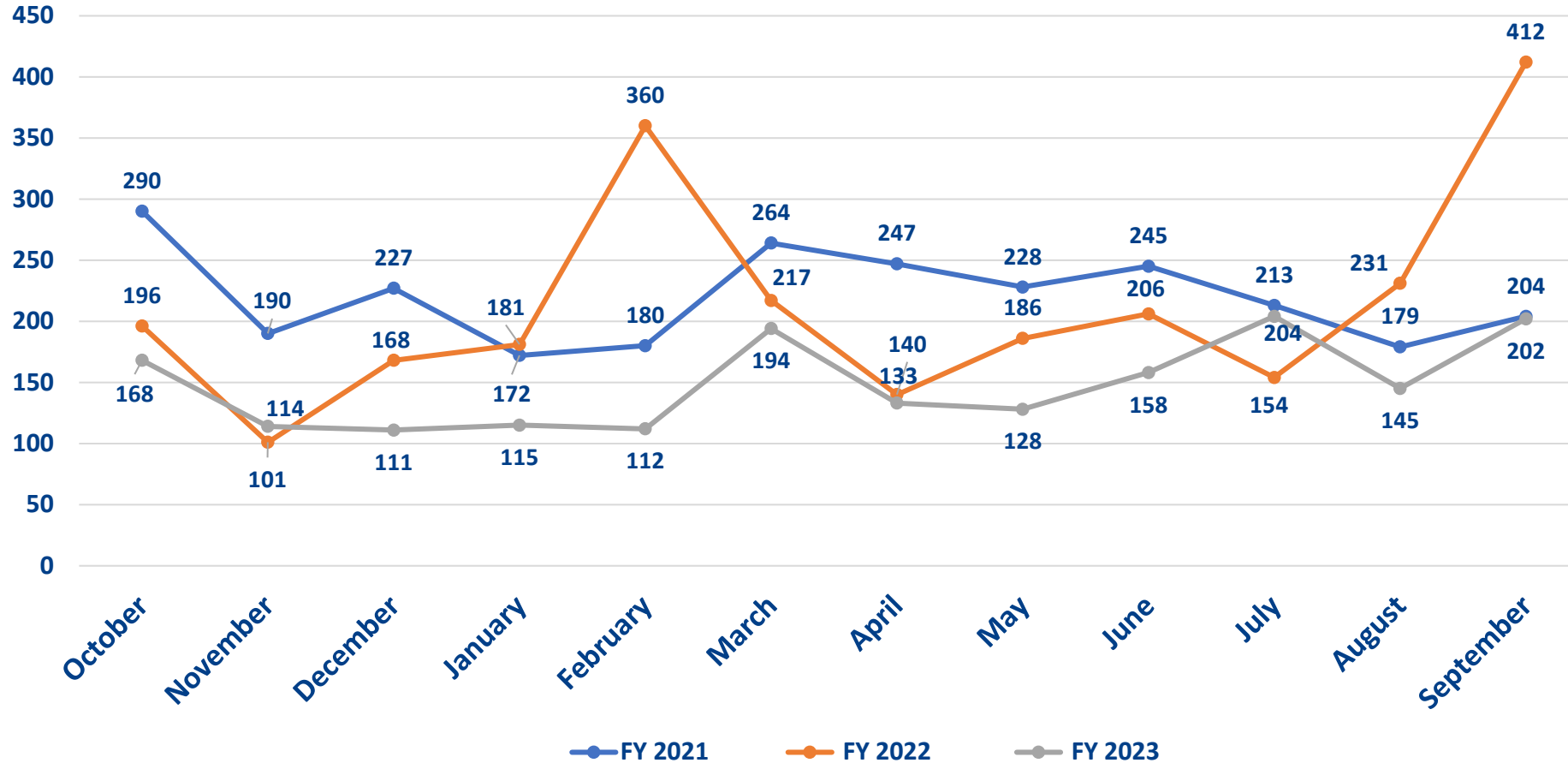
- The implementation project for the new Land Management system is in its 5th month of progress and is on schedule.
- As of October 13, 2023, DSD continues to meet established milestones and scheduling timelines.
 - DSD will continue to partner with ITS leadership to request support with data validation and conversion.



Residential Permit Volume



New Single Family Permits Created



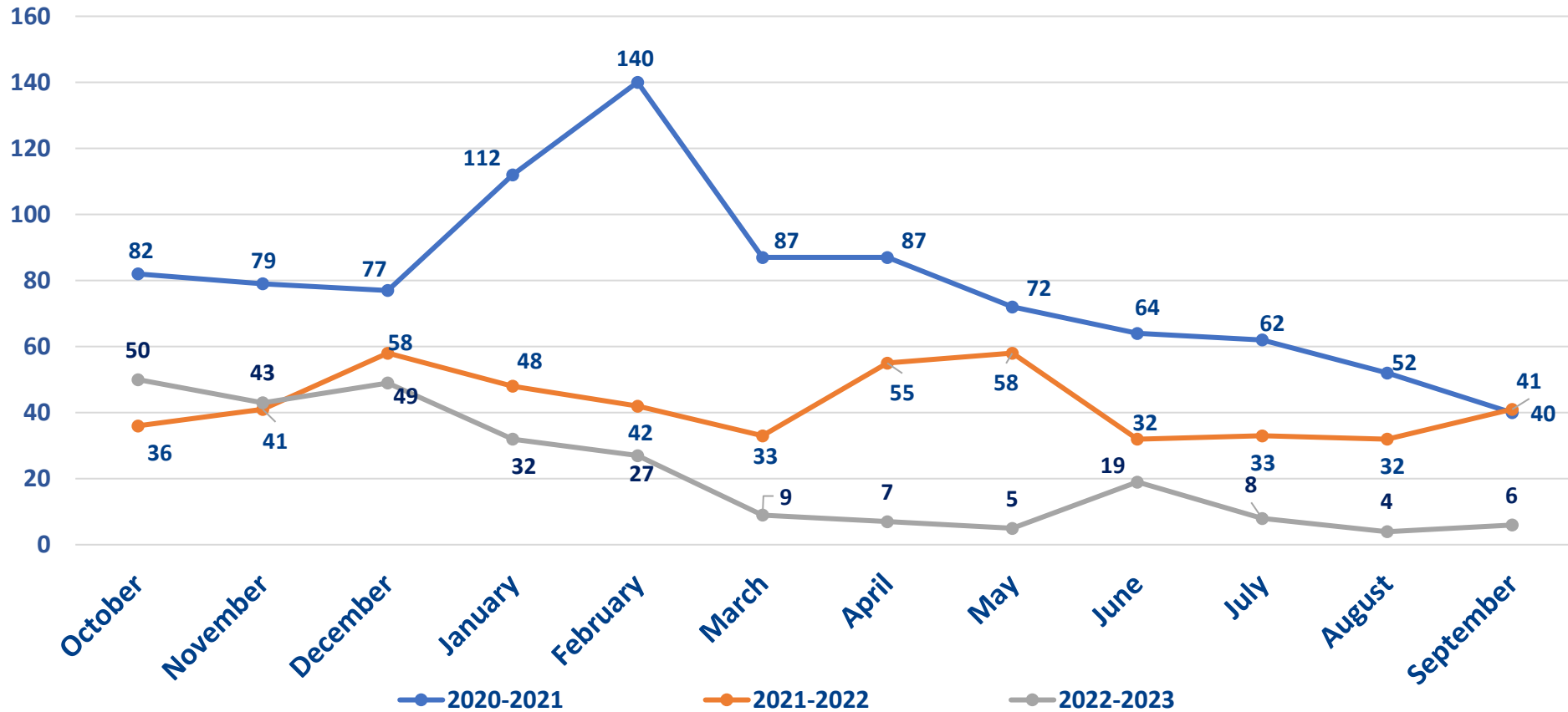
New Single-Family permits increased from 145 to 202 from the previous month (39% increase). 180 New Single-Family permits issued. Median number of days to issue increased from 4 to 6 days. A total of 56 RSVP permits were issued the same day.



Residential Permit Turnaround Times



Residential New Single Family Permits-Staff Time Median Days (calendar days) to Issue YTD Comparison



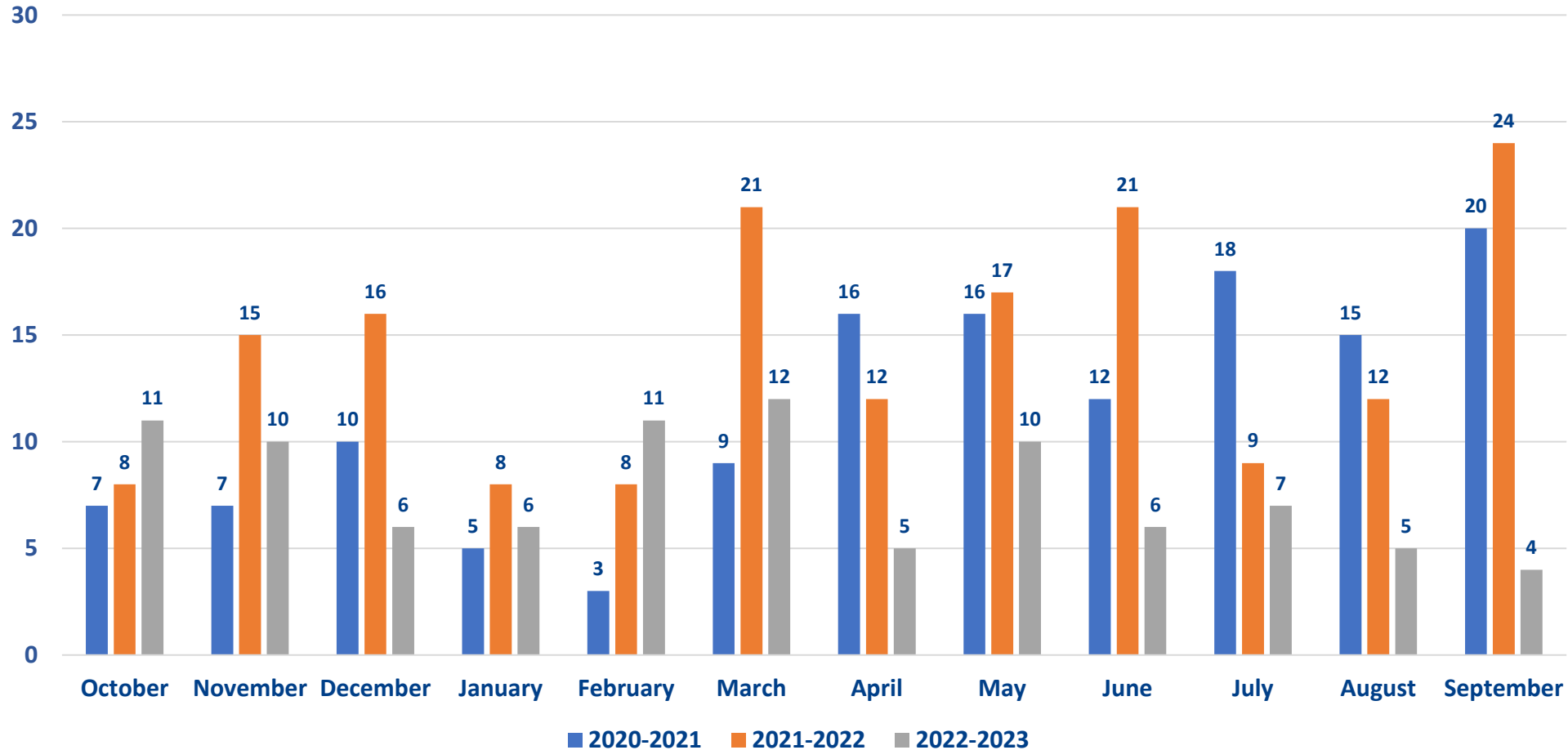
All submitted permit applications met the initial review times 100% of the time in accordance with the Departmental performance goals.



Commercial Permit Volume



New Commercial Project Permit Volume



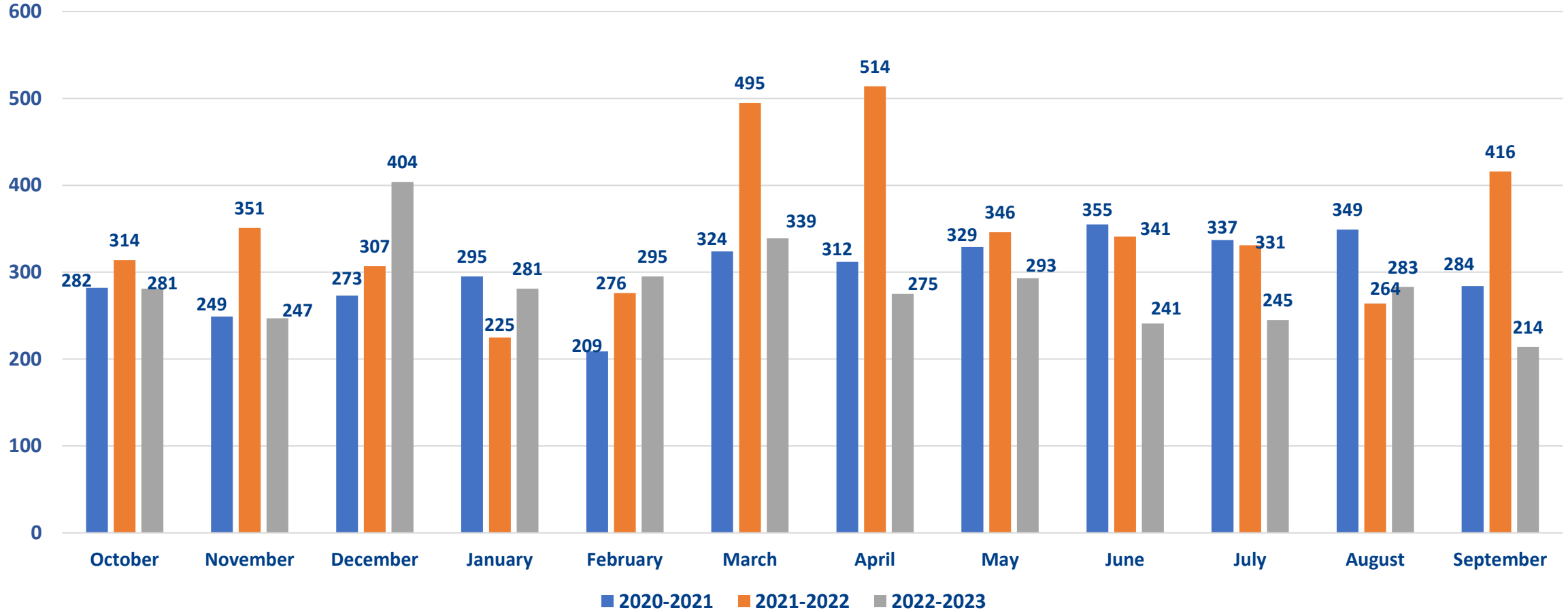
The Department received 22 complex commercial QTeam projects. 31 minor commercial QTeam projects were received and were issued the Same Day.



Commercial Remodel Permit Volume



Commercial Remodel Master Permit Volume



Commercial Dashboard



- Commercial Dashboard has been soft launched internally and is being evaluated.
 - Stagnant or stale submittals are impacting the accuracy.
 - Commercial projects are being submitted via paper and PDOX.
 - Assist customers with completion or cancellation.
 - Dashboard demo with development stakeholders.
 - Projected external launch January 2024.



Commercial Dashboard



- DSD process improvements necessary to prevent future occurrences.
 - Progressively move towards online submittals only.
 - Progressively move towards accepting permits that are properly platted and zoned.
 - Eliminate redundancies and simplify the permitting process overall.
 - Update the Dallas Developer Guide and create a simplified Dallas Developer “User” Guide.
 - Internal updates for all DSD divisions
 - Coordinate with joint Departments (DWU, PBW, TRN, PUD, HOU, DFR)



Metrics & Report Card FY2022/2023 Totals



New Commercial Permits/Additions
386

Commercial Remodel Permits
3,398

Q-Team Commercial Permits
333

Minor Q-Team Commercial Permits
174

New Residential Homes
1,795

Residential Addition/Remodel Homes
4,744



Estimated Construction Valuation Economic Impact
\$5.1 Billion



Metrics & Report Card FY2022/2023 Totals



FY2022/2023

- Commercial Prescreen (1 Day)
- Commercial Initial Review (10 Days)
- Q Team Initial Review (4 Days)
- Residential Prescreen (2 Days)
- Residential Initial Review (8 Days)
- Engineering Prescreen (1 Day)
- Engineering Initial Review (12 Days WW, 35 Days P/D, 32 Days TRN)

FY 2021/2022

- Commercial Prescreen (24 Days)
- Commercial Initial Review (12 Days)
- Q Team Initial Review (7 Days)
- Residential Prescreen (17 Days)
- Residential Initial Review (17 Days)
- Engineering Prescreen (NA)
- Engineering Initial Review (16 Days WW, 32 Days P/D, 24 Days TRN)

Permitting Percentage Reduction Times

- Commercial Prescreen-95%
- Commercial Initial Review-12%
- QTeam Initial Review-43%
- Residential Prescreen-88%
- Residential Initial Review-53%
- Wastewater Initial Review- 25%

Permitting Percentage Increase Times

- Paving and Drainage Initial Review-9%
- Transportation Initial Review- 25%



Fee Study



Initial Fee Study Findings

- Current Development Fees are not consolidated.
- Found throughout Development Codes and others in the Building Codes.
- Currently DSD only collects 55% of cost of services rendered.
- 40 service processes DSD currently does not charge a fee.
- Current fees are significantly less than surrounding Cities.

Division	Cost	Current Revenue	Current Subsidy
Inspections & Plan Review	\$41,623,673	\$24,227,138 (58%)	\$17,396,535 (42%)
Engineering	\$5,823,111	\$2,268,294 (39%)	\$3,554,818 (61%)
GIS	\$784,100	\$22,150 (3%)	\$763,950 (97%)
Subdivision	\$1,873,983	1,271,517 (68%)	\$602,466 (32%)
Total	\$50,106,867	\$27,789,098 (55%)	\$22,317,769 (45%)



Fee Study



- Final DRAFT Stakeholder outreach and communication with development community
 - Dallas Home Builders Association-August 3rd, 2023
 - Development Advisory Committee-August 15th, 2023
 - Economic Development Committee-September 5th, 2023 & November 6th, 2023
 - Texas Real Estate Council-October 5th, 2023
 - Dallas Home Builders Association-October 17th, 2023
 - Development Advisory Committee, October 20th, 2023
 - City Council Memo/Share DRAFT, October 27th, 2023
 - Constant Contact, October 27th, 2023
 - Economic Development November 6th, 2023
 - American Institute of Architects, November 2023
 - Dallas Independent School Districts, November 2023
 - Hispanic/Black Contractors Association, November 2023
 - Construction Contractors Association, November 2023
 - Fire Contractors, November 2023
 - Ordinance for Council Vote, December 2023
 - Go Live, January 31st, 2024
 - **NOTE: DSD will recommend a 3 Year Implementation Plan**



Hiring and Recruitment



Position Title	Vacancies	Position Title	Vacancies
00701 - Engineer Assistant I	1	31032 - Inspector III - Plumbing	1
00702 - Senior Engineer	2	31037 - Inspector III - Zoning	2
06206 - Sanitarian	1	31129 - Supervisor - Survey	1
16404 - Senior Plans Examiner	10	31238 - Manager - Development	2
24112 - Intern - Development Services Engineering	8	32209 - Executive Secretary	1
28043 - Senior Planner	1	32405 - Administrative Specialist I	1
31012 - Supervisor - Building Inspections Development Services	2	32406 - Administrative Specialist II	3
31013 - Part-Time Flex-Inspector (Plumbing)	8	36533 - Senior Geographic Information System Support Technician	1
31014 - Part-Time Flex-Inspector (HVAC)	7	40021 - Records Technician I - Development Services	1
31015 - Senior Plans Examiner - Building Inspection	3	42001 - Permit Clerk	7
31017 - Senior Plans Examiner - Plumbing	2	42002 - Senior Permit Clerk	2
31022 - Senior Inspector - Plumbing	1	42003 - Permit Technician	1
31023 - Inspector III - Building Inspection	4	48607 - Senior Training Specialist	1
31025 - Lead Inspector - Multidiscipline	1		
31031 - Inspector III - Electrical	3	Total Vacancies	78

The Society for Human Resource Management (SHRM) reports the National Average Days to Hire is 44 days. DSD is currently at 47 days.

NOTE: 25 additional positions were budgeted for DSD FY2023/2024



Next Steps



- Continue Fee Study stakeholder outreach communications-
November 2023
- DSD Hiring Fair-November 2023
- Finalize Dallas Developer Guide – December 2023
- Finalize Dallas Developer “User” Guide – December 2023
- Launch Commercial Permitting Dashboard – December 2023
- Draft Ordinance for Council Consideration-December 2023





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