



## ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item  
Meeting of July 7, 2007**

### **SUPPLEMENTAL REPORT**

**DATE:** July 2, 2007

**SUBJECT:** Supplemental Report to the Authorization of advertisement of public hearings on proposed amendments to Section 36. Administration and Procedures of the Zoning Ordinance to increase application fees for Rezoning, Compliance Letters, Variances, Use Permits, Site Plans, Building Permits and Certificates of Occupancy.

**DISCUSSION:** This Supplemental Report provides additional information on the creation of an enterprise fund. It is meant as a companion document to the Board Report of the same subject heading. The focus of this Supplemental Report and the Board Report is the Zoning Section within the Department of Community Planning, Housing and Development (DCPHD). There are also a separate Board Report and Supplemental Report that focus on the Inspection Services Division's functions of permitting, plan review, and inspections. The Zoning Section and these Inspection Services Division functions comprise the enterprise fund.

A consolidated Board Report will be submitted for the September 2007 Board meeting, which will discuss the enterprise fund and all its organizational units. It will provide additional detail regarding expenses, revenue and other operational issues. The Report will make recommendations to adopt an increased level of revenue, expenses (staffing and operating expenses) to run the enterprise fund.

In the FY 2008 adopted budget, the County articulated its philosophical shift to better customer service in the organizational units of the DCPHD that provide construction and trade permits, and building, zoning and application reviews by creating an enterprise fund. In simple terms, an enterprise fund is a budget mechanism or a way of budgeting. Instead of using County General Funds to pay for operating expenses (personnel and non-personnel), the revenue captured from fees for the functions of permitting, zoning, and inspections would be used.

The sustained high volume of residential and commercial construction activity in Arlington County has created enormous challenges to the County to deliver fast, consistent and predictable permitting, plan review and inspections. Staffing enhancements and operational improvements must be made to the Zoning Office of the Planning Division, in order to improve County service

County Manager: \_\_\_\_\_

County Attorney: \_\_\_\_\_

Staff: Bob Brosnan, Planning Chief, DCPHD  
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delivery and to stay in-sync with customer service improvements to be made in the Inspection Services Division.

The Committee for Program Performance (CPP), through the Department of Management and Finance, contracted with Matrix Consulting, Inc. to study the County's post-Board approval process for development projects requiring site plans. The goal of the study was to identify any barriers inherent in the current process and any stakeholder issues, in order to make a series of recommendations to improve, or better support the process. Among the recommendations was the need to add two Zoning Office staff; one to manage the approved projects or cases and one to inspect the ever-growing number of site plan conditions. Matrix also recommended technology enhancements, including the need to establish a records management program.

In addition to the two staff recommended by Matrix Consulting, one additional staff position (a planning technician) is recommended to handle the current (and pipeline) workload and to "keep up" with the enhanced service delivery to be provided by the Inspection Services Division's permitting counter. The Zoning Office and the Inspections' counter work hand-in-hand. The goal is to avoid bottlenecks on either side of the overall permitting and zoning process. Staff anticipates that the Department of Environmental Services counter will increase staffing at some point.

The proposed increases to fees charged by the Zoning Office (re-zonings, compliance letters, variances, use permits, site plans, building permits and certificates of occupancy) would pay for current personnel and non-personnel expenses associated with running the Zoning Office, as well as enhancements to staffing and technology. The Zoning Office would then be fully fee-supported by the enterprise fund.

Table A (below) shows the FY 2007 and FY 2008 adopted budgets and the new proposed budget for the Zoning Office in FY 2008. The major changes between the FY 2008 adopted budget and the new proposed FY 2008 budget are increases to personnel and non-personnel expenses to support three (3) additional FTEs (from 14 to 17), and the cost of technology enhancements for records management.

Table A: Proposed New FY 2008 Expenditure Budget for the Zoning Office

	<b>FY 2007 Budget</b>	<b>FY 2008 Adopted</b>	<b>FY 2008 Proposed</b>
Personnel	\$1,051,721	\$1,179,173	\$1,389,848
Non-Personnel	-	\$78,771	\$150,476
<b>Sub-total =</b>	<b>\$1,051,721</b>	<b>\$1,257,944</b>	<b>\$1,540,324</b>
Other Non-Personnel:			
Space Lease	-	-	-
County Services	-	-	-
Technology	-	-	\$200,000
Miscellaneous	-	-	-
<b>Sub-total =</b>	<b>-</b>	<b>-</b>	<b>\$200,000</b>
<b>Total =</b>	<b>\$1,051,721</b>	<b>\$1,257,944</b>	<b>\$1,740,324</b>
15% Reserve Fund =	-	-	\$261,049
<b>Grand Total =</b>			<b>*\$2,001,373</b>
Revenue	\$673,900	\$722,400	*\$1,221,770
<b>Net Tax Support</b>	<b>\$377,821</b>	<b>\$535,544</b>	<b>0</b>
<b>FTEs</b>	<b>13.0</b>	<b>14.0</b>	<b>17.0</b>

\*Note: The Inspection Services Division (the other organizational unit within the enterprise fund and discussed in a separate Board Report) would subsidize the difference between the proposed projected revenue and expenses.

The three new proposed positions are as follows:

- **Planning Program Coordinator** – This position would manage site planning projects (“cases”) after Board approval through the full permitting process. This position currently does not exist and when staffed, would go a long way to address customer complaints about the current delays and lack of case management and inter- and intra-departmental communication.
- **Community Inspector III** – This position would help monitor the site plan conditions on hundreds of approved projects.
- **Planning Technician** - This position would be added to the Zoning counter to handle the current and the pipeline workload to that ensure zoning reviews and other services keep pace with the increased staffing and efficiencies gained at the Inspection Services counter.