



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**December 13, 2011**

**Motion 13607**

**Proposed No. 2011-0408.1**

**Sponsors Hague and Phillips**

1           A MOTION accepting the response to the 2011  
2           Budget Ordinance, Ordinance 16984, Section 82, Proviso  
3           P1, department of development and environmental services,  
4           in compliance with Ordinance 16984; and authorizing the  
5           release of \$100,000 currently held in reserve.

6           WHEREAS, the 2011 Budget Ordinance, Ordinance 16984, contains a proviso in  
7           Section 82, department of development and environmental services, stating \$100,000  
8           shall not be expended or encumbered until the executive transmits and the council adopts  
9           a motion that references the proviso's ordinance, section and number and states that the  
10          executive has responded to the proviso, and

11          WHEREAS, the county executive has transmitted to the council a response that  
12          contains the required information responding to the proviso, specifically to provide:

13           1. Information on how permit processing times have changed since the  
14          department changed the method of evaluating employee performance and implemented  
15          permit processing reforms;

16           2. Information on the number of hours assumed for each type of permit when  
17          developing the fixed fee for each specific permit compared to the actual average of hours  
18          to complete each type of permit to which a fixed fee is charged for the period of January  
19          through July 2011;

20           3. The results of a customer survey measuring the level of satisfaction as a result  
21 of the departments new 2011 fee structure and the operational changes that the  
22 department put in place starting in January 2010; and

23           4. All other issues specified in Ordinance 16984, Section 82, Proviso P1, and

24           WHEREAS, the council has reviewed the department of development and  
25 environmental services's report;

26           NOW, THEREFORE, BE IT MOVED by the Council of King County:

27           The proviso response is hereby accepted and the \$100,000 currently held in

28 reserve in Ordinance 16984, Section 82, Proviso P1, department of development and  
29 environmental services, is hereby released.  
30

Motion 13607 was introduced on 11/21/2011 and passed by the Metropolitan King County Council on 12/12/2011, by the following vote:

Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,  
Ms. Patterson, Ms. Lambert, Mr. Ferguson, Mr. Dunn and Mr.  
McDermott  
No: 0  
Excused: 0

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



Larry Gossett, Chair

ATTEST:



Anne Noris, Clerk of the Council

**Attachments:** A. 2011 Budget Proviso Response Report - Improvement in Permit Approval Timelines, Conversion of Hourly Charges to Fixed Fees, and Customer Survey Results

# **2011 Budget Proviso Response Report: Improvement in Permit Approval Timelines, Conversion of Hourly Charges to Fixed Fees, and Customer Survey Results**

Response to the Proviso in King County Ordinance 16984  
Section 82, P1, Page 58

**Prepared by the Department of Development and Environmental Services (DDES)  
and Performance, Strategy and Budget (PSB)**

**September 22, 2011**

**This report responds to the following proviso in King County’s 2011 budget ordinance, Ordinance 16984, Section 82, P1, page 58:**

*P1 PROVIDED THAT:*

*“Of this appropriation, \$100,000 shall not be expended or encumbered until the executive transmits and the council adopts a motion that references the proviso's ordinance, section and number and states that the executive has responded to the proviso. This proviso requires the executive to submit a report on: (1) any quantifiable improvement in meeting permit deadlines as a result of the shift from measuring employee performance by the number of hours billed to a project to a method using the ability to complete review within a stated time period; (2) the number of hours assumed for each type of permit when developing the fixed fee for each specific permit compared to the actual average of hours to complete each type of permit to which a fixed fee is charged for the period of January through July 2011; and (3) the development and results of a customer survey, conducted for the period of January through July 2011, measuring the level of satisfaction as a result of the department of development and environmental services implementing its new 2011 fee structure and the operational changes that the department put in place starting in January 2010. The executive must transmit the motion and report required to be submitted by this proviso by September 30, 2011, in the form of a paper original and an electronic copy with the clerk of the council, who shall retain the original and provide an electronic copy to all councilmembers, the council chief of staff and the lead staff for the environment and transportation committee or its successor.”*

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## I. Executive Summary

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Under the direction of a Council proviso, the Department of Development and Environmental Services (DDES) examined the following business areas:

1. Changes in permit processing times post implementation of employee evaluation protocols and permit processing reforms,
2. Assumptions regarding hours calculated in the development of the fixed fee schedule DDES is transitioning to, and
3. Results from a customer survey to measure satisfaction levels from both the new fixed fee schedule as well as other business process changes DDES has implemented.

The following provides highlights of the findings which are detailed in the balance of this report:

- Permit approval timelines shortened for 63% of permit application types. The new or revamped application intake and permit issuance processes begun in late 2010 and the second quarter of 2011 appear to be helping. DDES intends to conduct a LEAN review of application intake and permit issuance processes with the expectation of shortening approval timelines for all permit types.
- The planning assumptions used to convert hourly charges for service to fixed fee amounts were largely accurate, viz. 85% of individual permits were completed within +/- 25% of the standard, assumed hours required by DDES staff. Where planning assumptions have proven off-the-mark, or future process changes are planned, DDES is proposing fee adjustments as part of the 2012 fee ordinance.
- Overall customer satisfaction with the quality of DDES services is evenly split: 43% of respondents were satisfied, 43% unsatisfied, and 14% neutral. These survey ratings are lower than the department hoped to obtain, but the detailed responses provided by DDES customers validate our understanding of the challenges to improve customer service, principally timely permit decisions and responsiveness to customer telephone inquiries. The customer survey method and audience this year differed materially from past years, so the results should stand as a new baseline for the department.

Permitting Integration will go-live in 2012. It has the potential to enhance every aspect of customer service, and increase operating efficiencies. DDES is committed and anxious to exploit its capabilities, and looks forward to updating this progress report next year.

## II. Improvement in Permit Approval Timelines

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By way of the 2011 Budget Ordinance (Ordinance 16984), Section 82, Proviso 1; DDES was, in part, directed to:

“...report on...any quantifiable improvement in meeting permit deadlines as a result of the shift from measuring employee performance by the number of hours billed to a project to a method using the ability to complete review within a stated time period...” Following is information responsive to this proviso element.

### General Response

In recent years, DDES managed its operations in part to ensure that a minimum percentage of staff time was consistently charged and billed to individual permit applications. This management objective shifted focus away from the timeliness and quality of customer service, and placed more emphasis on creating customer accounts than on completing reviews and issuing permits. In 2010, DDES rescinded its policy to measure staff performance by billable hours and began re-tooling its systems and business practices to support fixed fees in lieu of hourly charges.

In conjunction with the change in policy and fees, DDES has reformed two significant aspects of its operations in order to shorten the time required by the department to screen and accept applications and reach decisions on them. The first major reform, implemented in September 2010, expanded the application types eligible for acceptance without a scheduled appointment and eligible for issuance on the same-day and modified staff assignments and procedures to support same-day application processing. This application processing method accelerated both application intake and permit issuance. This process is referred to as over-the-counter permitting (OTCP).

The second major reform, implemented in April 2011, created the opportunity for customers to initiate an informal review of their applications by DDES prior to formal submittal. This process is both informal and available on a walk-in basis, in contrast to mandatory pre-application conferences which must be scheduled. This process likewise accelerated application intake. This process is referred to as pre-submittal services (PSS). Its impact on permit approval timelines is still being measured as the process has only been in operation for a few months. The impact on customer satisfaction, however, is already apparent from the customer survey recently conducted and described in another section of this proviso response.

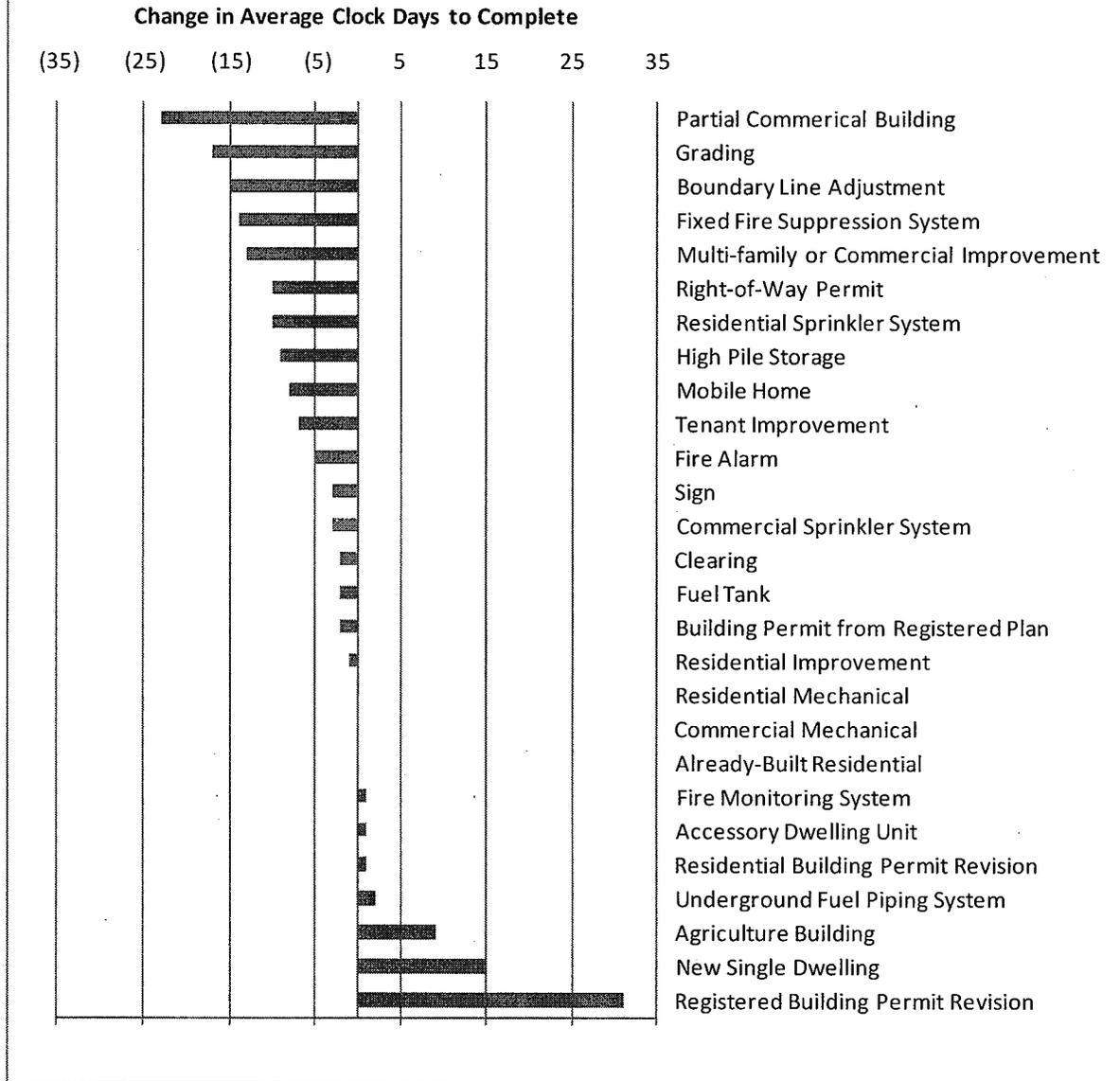
The two customer service reforms thus far implemented build upon the elimination of both hourly charges to applicants and hourly billing measures of staff performance. Together these

reforms have contributed to shortening timelines for 17 of 27 permit types for which conclusive results are available. Three permit types show no change. Four permit types show a 1-2 day slowdown from DDES baseline data. Finally, three permit types show slowdowns of nine or more days, which may be due to shifting staff focus to OTCP or other rapid turn-around application types.

These findings are summarized and compared in the following chart, where each bar displays the change in number of clock days for DDES to process permit applications by type (see note). The baseline average data comes from 2008 through mid-2010, and current 12-month average data is taken from July 2010 through June 2011. Negative clock days indicate a shortened timeline.

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## Average Clock Days To Complete: Change From Baseline



[Note: Clock days refers to the days that DDES has the customer-supplied information on hand to process an application. Clock days excludes days waiting for customers to respond to DDES requests for plan corrections or additional information not originally supplied by an applicant.]

The following table presents the same findings as the bar chart, but with more detail. Note that residential mechanical permits show no clock days because they are issued same-day over-the-counter.

	# of Records	Average Clock Days		
		12-Month Average	Baseline Average	Change
Partial Commerical Building	11	75	98	(23)
Grading	42	28	45	(17)
Boundary Line Adjustment	32	10	25	(15)
Fixed Fire Suppression System	23	19	33	(14)
Multi-family or Commercial Improvement	16	31	44	(13)
Residential Sprinkler System	127	10	20	(10)
Right-of-Way Permit	8	37	47	(10)
High Pile Storage	10	38	47	(9)
Mobile Home	12	32	40	(8)
Tenant Improvement	27	18	25	(7)
Fire Alarm	38	49	54	(5)
Sign	29	6	9	(3)
Commercial Sprinkler System	23	44	47	(3)
Building Permit from Registered Plan	181	1	3	(2)
Fuel Tank	58	6	8	(2)
Clearing	8	38	40	(2)
Residential Improvement	440	23	24	(1)
Residential Mechanical	1,133	-	-	-
Commercial Mechanical	39	24	24	-
Already-Built Residential	38	28	28	-
Residential Building Permit Revision	45	17	16	1
Accessory Dwelling Unit	7	34	33	1
Fire Monitoring System	6	35	34	1
Underground Fuel Piping System	6	13	11	2
Agriculture Building	9	51	42	9
New Single Dwelling	74	58	43	15
Building Permit from Registered Plan Revision	25	44	13	31

The following table presents results for permit types with fewer than five applications processed during the 12-month sample period. Too few permits of each type have been processed to consider these results indicative of any trend in average permitting timelines.

	# of Records	Average Clock Days		
		12-Month Average	Baseline Average	Change
Land Use Revision	2	19	81	(62)
Commercial Building Permit Revision	3	4	46	(42)
Residential Site Review Process	1	22	61	(39)
School Modification	1	47	81	(34)
Variance	1	51	84	(33)
Final Short Plat Review	3	20	51	(31)
Final Plat Review	2	39	67	(28)
Modular Home	2	14	41	(27)
Temporary Use Permit	4	40	62	(22)
Shoreline Development Permit	1	96	118	(22)
Multi-family Sprinkler System	4	34	54	(20)
Medical Hardship Mobile Home	1	-	15	(15)
Preliminary Short Plat	4	74	85	(11)
Plat Site Review Process	1	11	22	(11)
Agriculture Building Permit Revision	1	7	13	(6)
Early Site Review Process	2	2	6	(4)
Agriculture Building in the APD	3	44	44	-
Short Plat Review Process	1	57	54	3
Antenna	4	122	111	11
Critical Areas Exception	3	101	89	12
Emergency Generator	1	63	47	16
Change of Use Improvement	4	77	52	25
School Portable	2	69	42	27
Swimming Pool	1	59	27	32
New Commerical Building	2	131	93	38
Utility Vault	2	84	31	53
Agriculture Building with Farm Plan	2	121	48	73
Other Pool	1	147	-	147

## Proposed Actions

To further improve permit approval timelines, DDES intends to take the following actions:

- Perform lean process review of permit intake and screening processes. Applying lean analytical tools to these business processes will allow DDES to map the elements that comprise the process (*e.g.* permit intake) to identify choke points, steps in the process that are unnecessary or redundant, and process steps with excessive cycle time. Lean process reviews are much needed by the department at this time, as many of its business processes still in use were designed when DDES was a much larger agency with urban permitting responsibilities and greater specialization of staff resources. Insight from this review will be used to shorten approval timelines, especially for those application types that have not obtained faster timelines in the past year, *e.g.* agricultural buildings and new single family homes.
- Assign project leads (known as record administrators in technical database parlance) to each permit application to monitor its approval timeline and take measures necessary to keep it on schedule.
- Continue and enhance OTCP and PSS to ensure that permit applications are complete and adequate when submitted to DDES and can be approved with fewer revision cycles.
- Complete the implementation of the Permitting Integration project (which, in conjunction with other County departments, facilitates permit issuance) with improved workflow coordination, records accessibility, and greater automation of tasks.

### III. Conversion of Hourly Charges to Fixed Fees

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This proviso's second element is as follows:

"...report on...the number of hours assumed for each type of permit when developing the fixed fee for each specific permit compared to the actual average of hours to complete each type of permit to which a fixed fee is charged for the period of January through July 2011..." Following is DDES's response to this element of the proviso.

#### Overview

In 2010, DDES began reform of its financial processes and fees in order to improve customer service, lower the cost of permitting, and stabilize the agency's financial condition after several years of declining permit activity and fee revenue. In the years prior to reform, DDES charged its customers by the hour for many services. This made fee amounts unpredictable for our applicants and fee administration expensive for DDES. Moreover, staff success was measured by billable hours rather than timeliness of service.

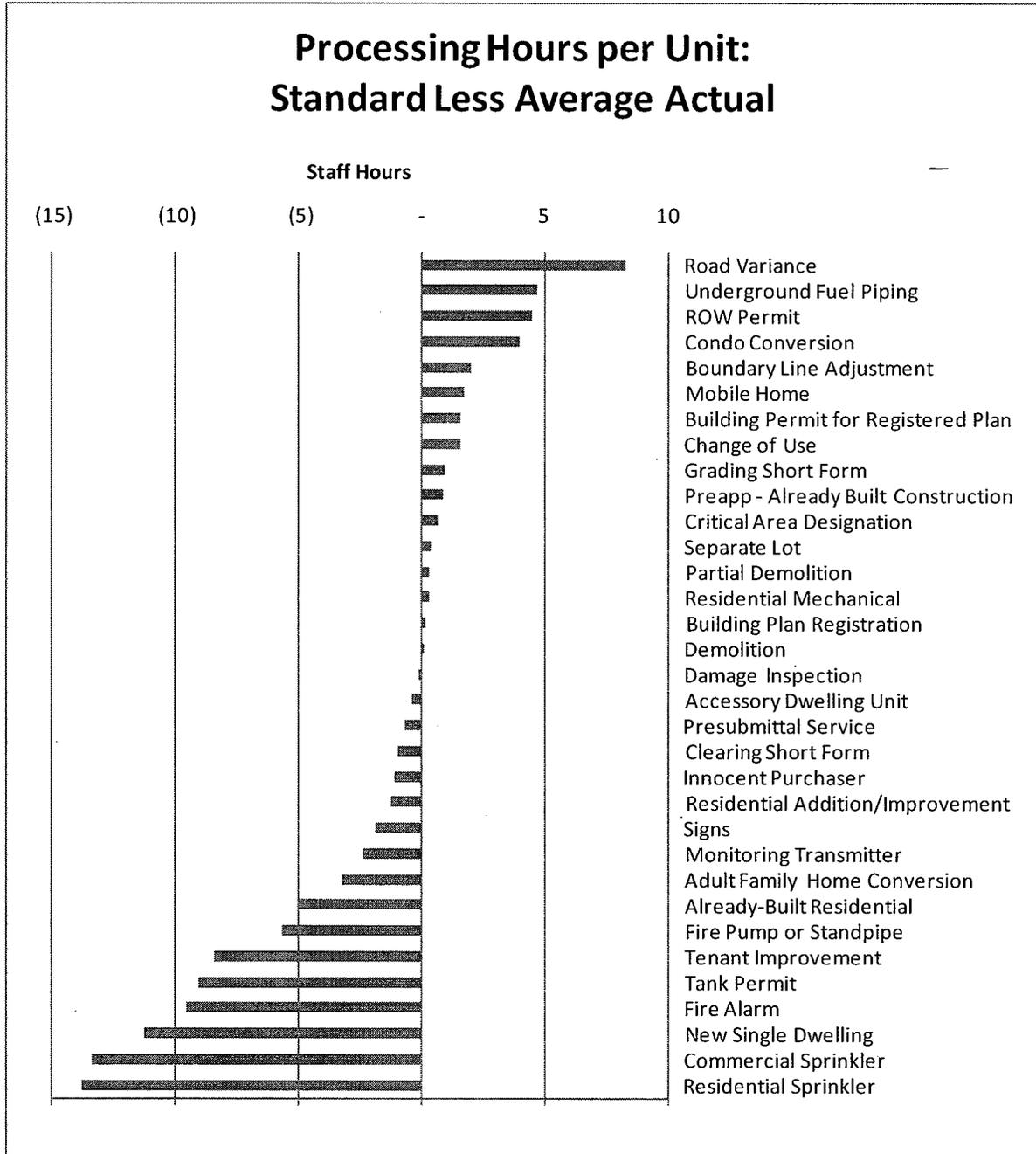
In 2011, DDES replaced hourly charges with fixed fees for many permits and services. Fixed fee amounts were calculated based on the hours historically spent by staff processing each type of permit, adjusted for anticipated process changes and efficiencies. Henceforth, DDES will annually analyze cost data and the time spent by its staff on each type of permit to determine if fixed fees are set to accurately recover the cost of permitting.

This initial report analyzes labor data for permit types with fixed fees that became effective January 1, 2011. The findings are summarized in the following bar chart, which displays the difference between the average actual staff hours spent per permit and the standard hours per permit, which was the basis for setting the fixed fees in Title 27.

Positive staff hours shown in the following bar chart measure how much the standard staff hours expected per permit exceeded the actual hours spent per permit in this sample group. Negative staff hours measure how much the average actual exceeded the standard expectation. The following general observations about the accuracy of planning assumptions may be made:

- About **half** the permit types had standard hours set **above** the average actual hours in the sample (16 of 33 permit types)
- About **half** the permit types had standard hours set **below** the average actual hours per permit (17 of 33 permit types).
- **One-quarter** of the permit types had standard hours set within +/- **10%** of the average actual hours in the sample (8 of 33 permit types).

- 55% of the permit types had standard hours set within +/- 25% of the average actual hours in the sample (18 of 33 permit types).
- Factoring in the quantity of individual permits within each permit type, 85% of permits by type had standard hours set within +/- 25% of the average actual hours in the sample (590 of 693 permits).

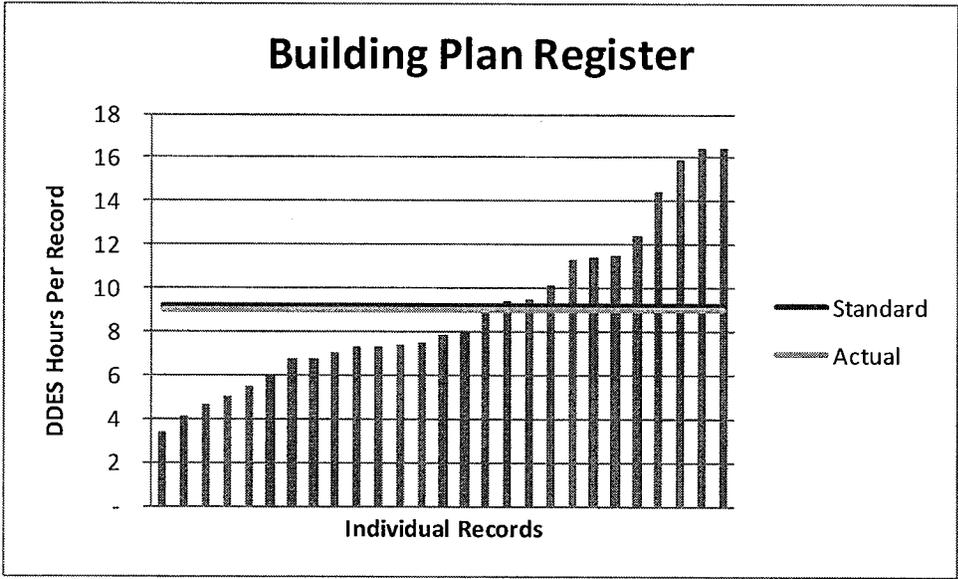
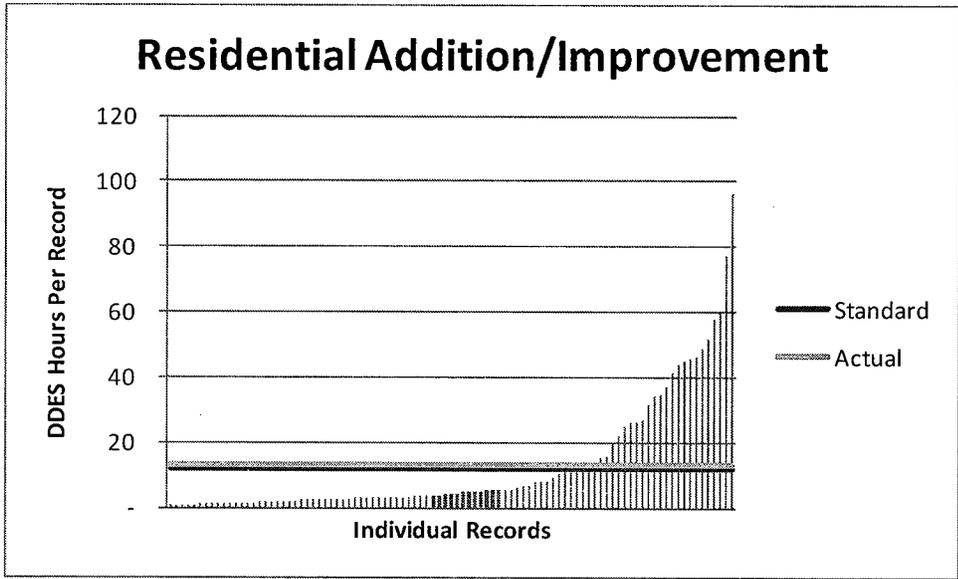


The following table presents the same information with more detail.

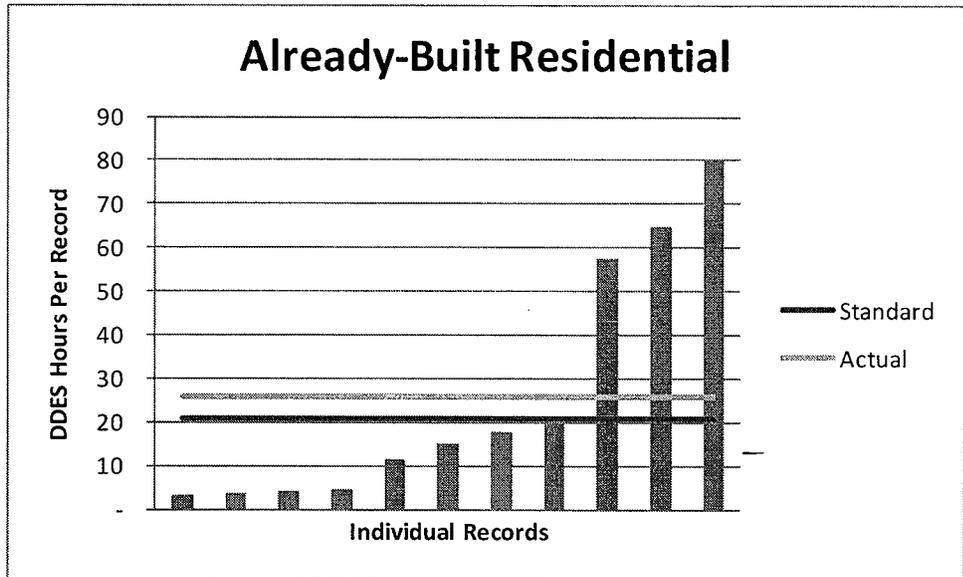
Permitting Service	# of Records	Hours per Record			Standard Hours as % of Actual Hours
		Average Actual	Standard	Standard Less Average Actual	
Tank Permit	17	13.3	4.2	(9.1)	32%
Residential Sprinkler	33	21.9	8.1	(13.8)	37%
Adult Family Home Conversion	6	5.5	2.3	(3.3)	41%
Signs	10	3.7	1.8	(1.9)	49%
Tenant Improvement	6	19.0	10.6	(8.4)	56%
Fire Pump or Standpipe	3	16.0	10.3	(5.7)	64%
Fire Alarm	7	27.4	17.9	(9.5)	65%
Commercial Sprinkler	2	38.5	25.1	(13.4)	65%
Presubmittal Service	3	2.7	2.0	(0.7)	75%
Monitoring Transmitter	3	10.0	7.6	(2.4)	76%
Innocent Purchaser	6	4.8	3.7	(1.1)	77%
Already-Built Residential	11	25.6	20.6	(5.0)	80%
Clearing Short Form	1	6.0	5.1	(0.9)	84%
New Single Dwelling	4	86.3	75.0	(11.3)	87%
Damage Inspection	33	1.4	1.3	(0.1)	90%
Residential Addition/Improvement	95	12.9	11.7	(1.2)	91%
Accessory Dwelling Unit	1	14.0	13.6	(0.4)	97%
Building Plan Registration	27	9.0	9.2	0.2	102%
Demolition	14	1.3	1.3	0.1	105%
Change of Use	1	32.0	33.6	1.6	105%
Separate Lot	5	4.8	5.2	0.4	108%
Mobile Home	1	20.0	21.7	1.7	109%
Critical Area Designation	68	4.3	5.0	0.7	115%
Boundary Line Adjustment	22	10.5	12.5	2.0	119%
Building Permit for Registered Plan	29	7.9	9.5	1.6	120%
Residential Mechanical	266	1.2	1.5	0.3	124%
Partial Demolition	1	1.0	1.3	0.3	130%
Grading Short Form	1	3.0	3.9	0.9	131%
Preapp - Already Built Construction	8	2.1	3.0	0.9	141%
Underground Fuel Piping	1	11.0	15.7	4.7	142%
Road Variance	6	11.3	19.6	8.3	173%
Condo Conversion	1	5.0	9.0	4.0	180%
ROW Permit	1	3.0	7.5	4.5	250%

**Detailed Findings: Standard Hours 90% to 110% of Average Actual Hours**

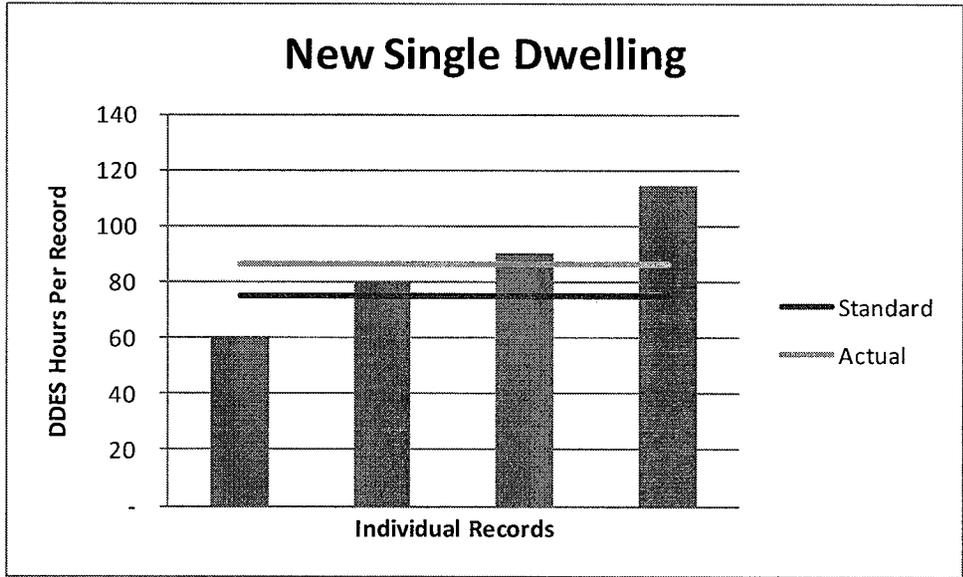
For permits in this category, the standard expectations matched average actual performance fairly closely. DDES does not recommend any fee adjustments in 2012 for permits in this category. The distribution of actual hours in the sample set and its comparison to the sample mean and standard unit hours is illustrated in the following charts.





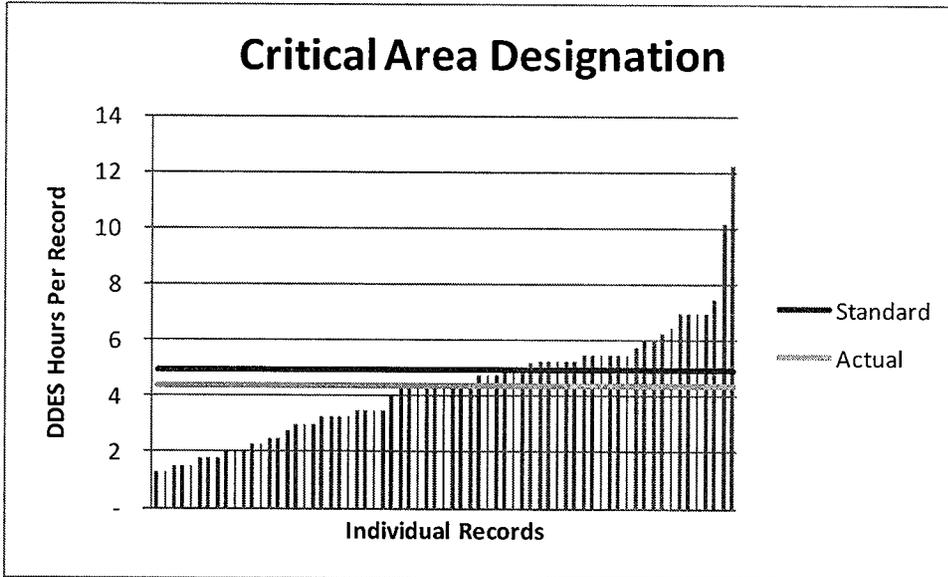


New single family dwelling permits show a discrepancy of 13% between expected and average actual hours per permit. The sample size of only four projects begun and completed between January and July of 2011 makes any adjustments to fees premature. DDES will continue to monitor the cost and fees with this permit type.

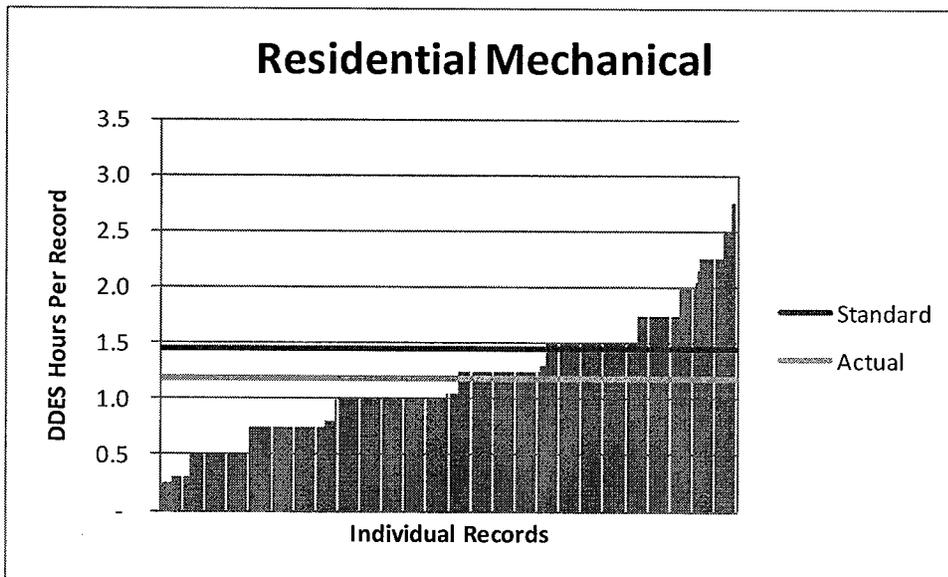


**Detailed Findings: Standard Hours 110% to 125% of Average Actual Hours**

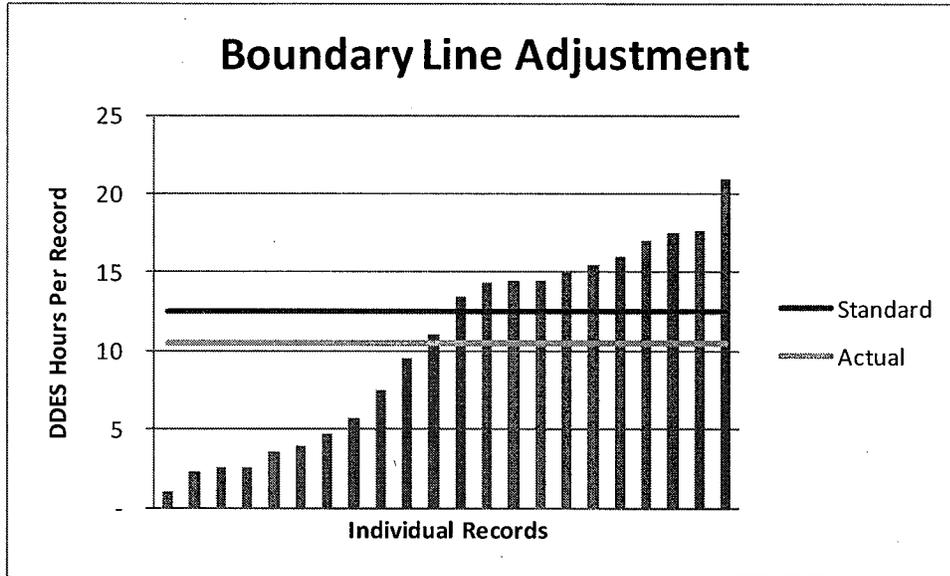
Critical area designations were completed in 40 fewer minutes, on average, than expected. DDES does not recommend fee adjustment for 2012, but will continue to monitor the average time spent on this type of service over the next year.



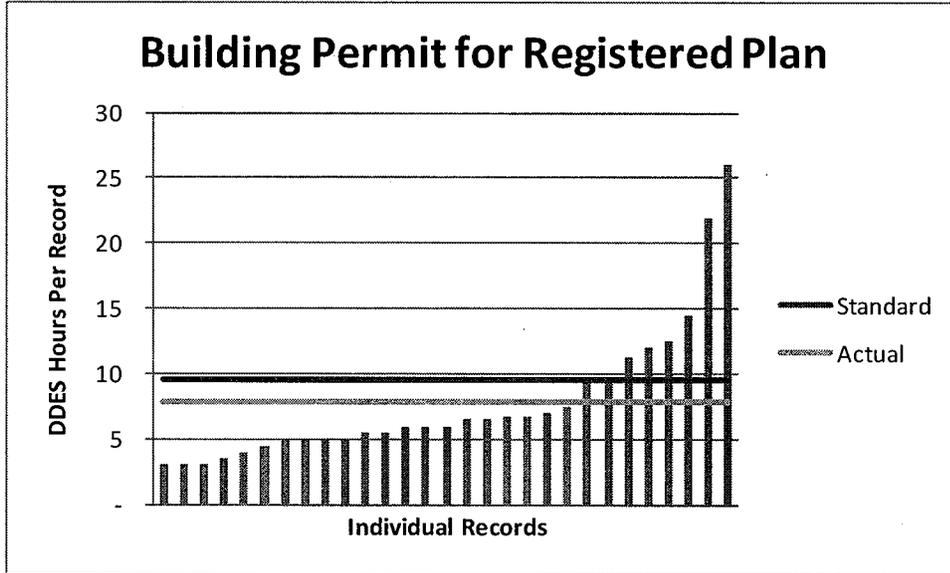
Residential mechanical permits required, on average, 15 minutes less to process than expected. The 2012 fee for this service is \$184.00; consequently, a quarter hour increment is a substantial portion of the total fee. If additional experience demonstrates that the cycle time trends toward less than originally projected, a fee adjustment could be warranted. DDES will closely monitor labor data for this permit type.



Boundary line adjustments have been requiring, on average, two hours fewer than expected. Accordingly, DDES has requested in the 2012 proposed fee ordinance creation of substantially lower fees for lot mergers and final mylar approval of boundary line adjustments, which require less DDES staff time to process.

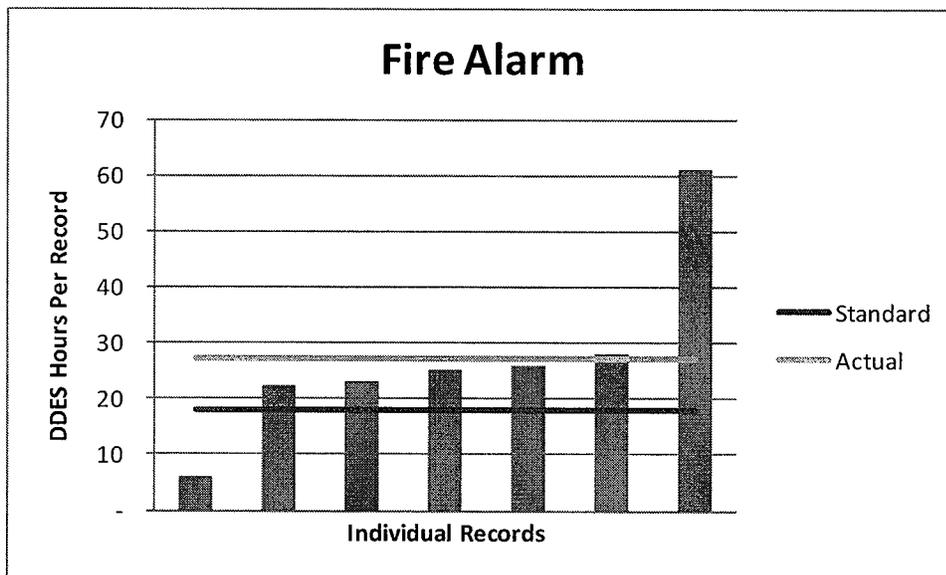


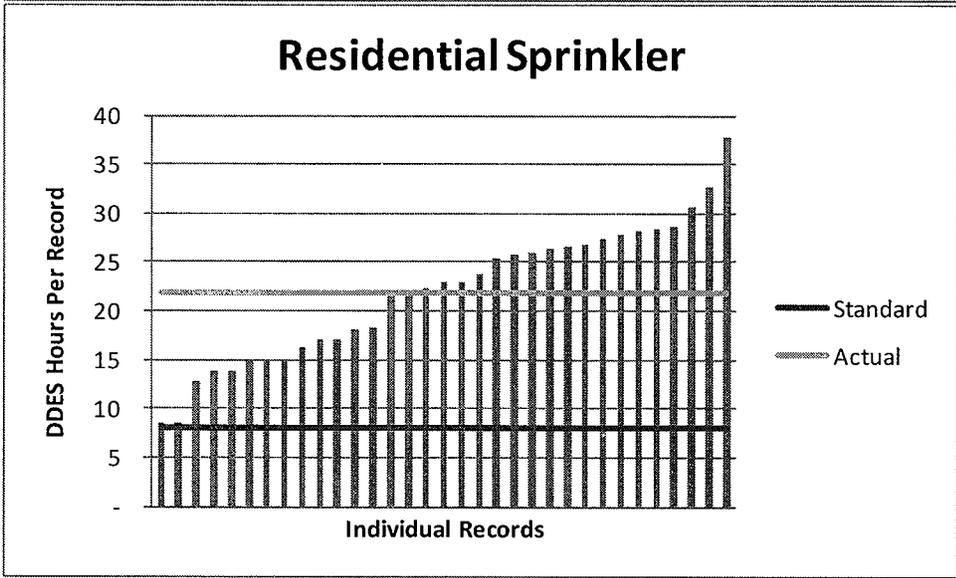
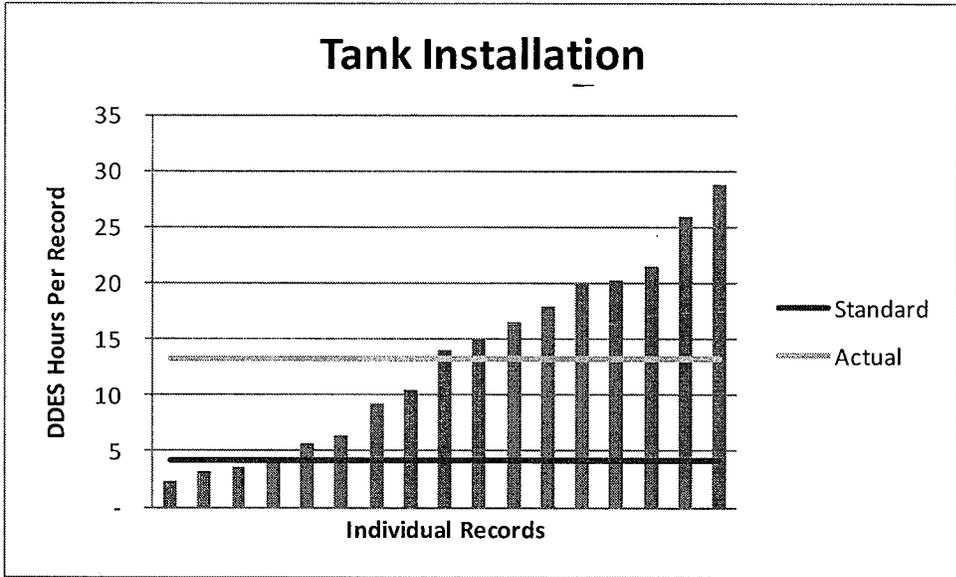
Building permits for registered plans appear to require less time to inspect, on average, than expected because the average construction value of such projects has been smaller than anticipated. No adjustment to fees is recommended for 2012.



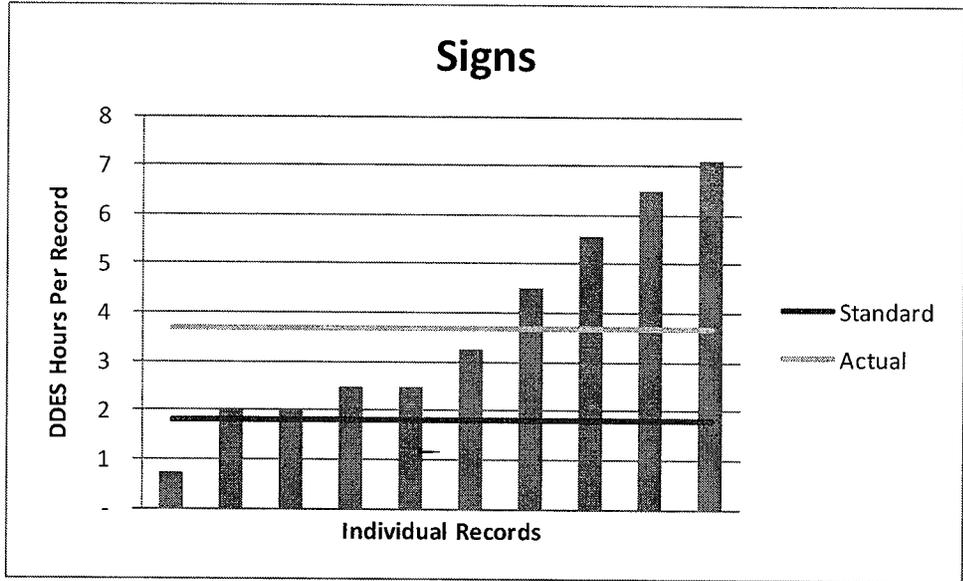
### Detailed Findings: Standard Hours 75% or Less of Average Actual Hours

Permit types in this category include fire alarms, tank installations, and residential sprinklers. The observed discrepancies between the standard and average actual hours per permit could be due to process inefficiencies and systemic flaws in capturing labor data, in part attributable to the reductions in force and retirements in the fire marshal disciplines and simultaneous changes to timekeeping practices and systems affecting this work between the end of 2010 until mid-2011. Upward fee adjustments are not recommended for 2012 based on these quantitative results. DDES will instead seek to reduce the apparent cost of these permits by improving operating processes and timekeeping systems with the implementation of Permitting Integration in 2012.





Sign permits also show a discrepancy between the standard and average actual hours per permit because the average construction value of such projects has been smaller than anticipated. No adjustment to fees is recommended for 2012.



**Detailed Findings: Standard Hours 125% or More of Average Actual Hours**

Road variance requests require much less DDES staff time than originally expected. Accordingly, DDES has requested substantial reduction of the fee for this service in the 2012 proposed fee ordinance.

## **Proposed Actions**

DDES is committed to improving the fairness and predictability of the fees it charges to its customers, and is compelled by its self-supporting mandate to improve their accuracy.

DDES has already taken several steps toward fulfillment of these objectives:

- The 2012 proposed fee ordinance would convert additional fees from hourly charges to fixed amounts in 2012 for those permits and services not converted in 2011.
- The 2012 proposed fee ordinance would also adjust fixed fee amounts in 2012 where process changes, improvements, or trend cost data warrants it.

DDES is taking now and will continue taking additional steps:

- Examining permitting processes to find efficiencies that reduce the staff time required to process permits, especially for permit types where average cost currently appears to exceed fees.
- Monitoring and amassing labor data, and amend agency policies and practices to ensure its accuracy, especially during the transition from MSA to PeopleSoft and to Permitting Integration.
- Reporting to the Council again in September 2012 and annually thereafter.
- Proposing further fee refinements in 2012, in conjunction with the 2013-14 biennial budget process, that reflect actual cost or reflect anticipated efficiency gains.

## **IV. Customer Survey Results**

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The final element in this proviso directs DDES to:

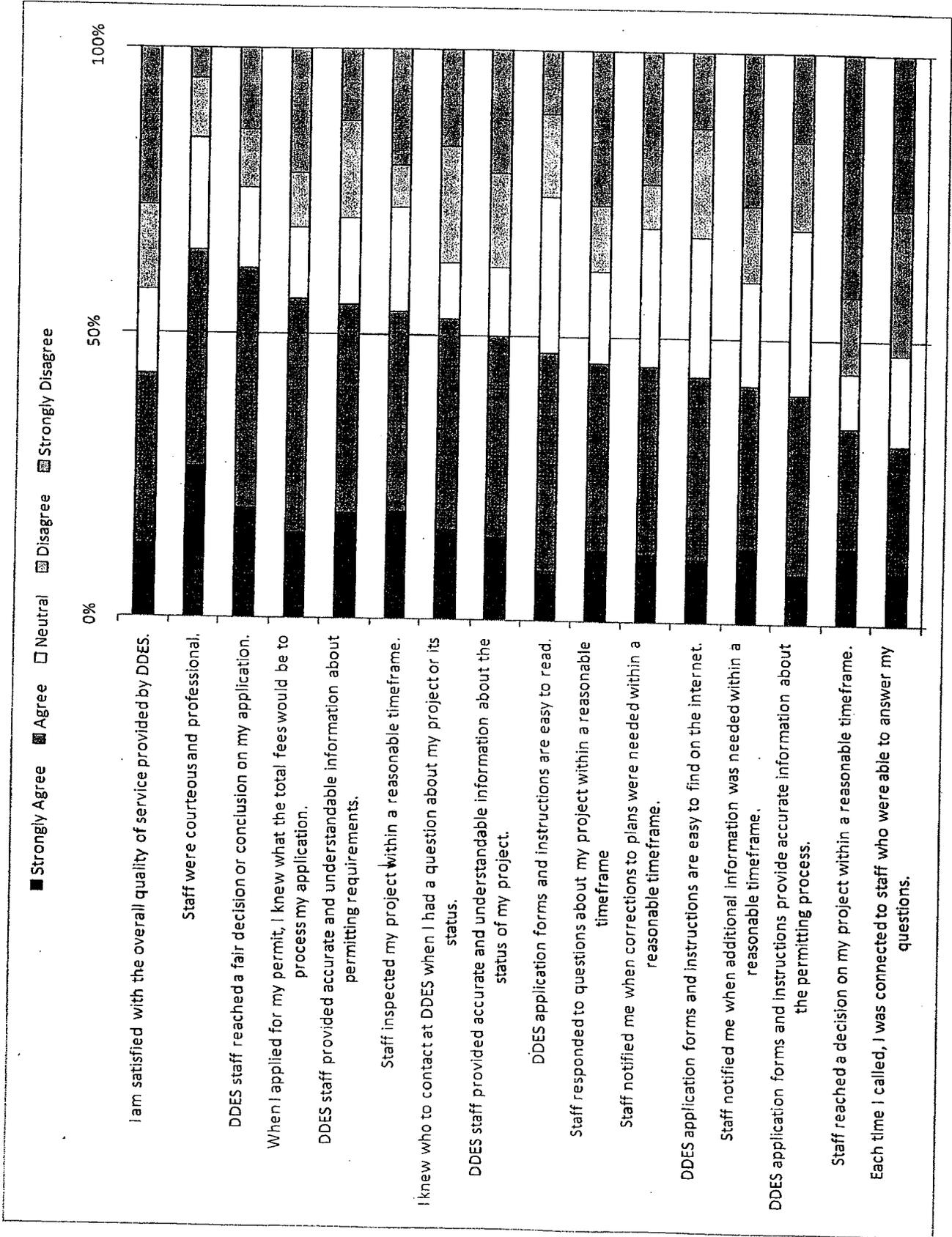
“ report on...the development and results of a customer survey, conducted for the period of January through July 2011, measuring the level of satisfaction as a result of the department of development and environmental services implementing its new 2011 fee structure and the operational changes that the department put in place starting in January 2010.” Following is DDES’ response to this proviso element.

### **Survey Overview**

In August 2011, DDES deployed a web survey via email to all customers who applied for permits between January and July of this year and for whom DDES had a valid email address. Customers involved in other types of business with DDES, such as those seeking business licenses, making inquiries, or responding to code enforcement actions, were excluded from the survey. The survey contained sixteen questions about the quality of various aspects of DDES service, including overall customer satisfaction, the predictability of fees, and operational changes implemented since January 2010.

The permit records eligible for inclusion in the survey totaled 2,542. A third of these records (915) had valid email addresses. Eliminating redundant addresses for customers with multiple applications submitted during the survey period, the survey questionnaire was emailed to 646 individual customers. One hundred seventeen (117) of the surveys were completed and returned, a response rate of 18%. Consultation with other County agencies that have conducted similar surveys suggests that this outcome represents a satisfactory response to an email survey but additional scrutiny would be required to determine if the results are statistically valid. Regardless, the feedback aligns with the improvement areas DDES management has previously identified and provides a staging point to focus our efforts.

The distribution of responses to each question in the survey is illustrated by stacked horizontal bar in the chart on the following page.



In summary, respondents were evenly split on overall satisfaction with the service provided, with 43% reporting satisfaction and 43% reporting dissatisfaction.

The courtesy and professionalism of DDES staff received the highest rating in the survey, with 65% of respondents reporting satisfaction. More than half of the respondents were satisfied with the fairness of decisions, fee predictability, accuracy of information about permitting requirements or project status, and timeliness of permit inspection.

Less than half of the respondents were satisfied with the readability of application instruction forms, the accessibility of forms on the DDES web site, the timeliness of DDES response to questions, and the timeliness of permit decisions. The handling of telephone inquiries received the lowest rating in the survey, with only 32% of respondents reporting satisfaction.

These results were further analyzed to discern the bases of customer satisfaction and the impact of the recent operational changes at DDES. Analysis of the responses found that:

- Customers were more frequently satisfied when their expectations for approval timelines were met: 93% of the respondents who reported that the approval time was shorter than expected for their permits also reported that they were satisfied with the overall service provided by DDES. Where approval time matched expectations, 76% of respondents were satisfied. Where approval time was longer than expected, only 17% of respondents were satisfied.
- Customers who communicated with DDES primarily by email or in-person at the DDES office were more frequently satisfied (48%) than were customers who primarily used a telephone (34%).
- First-time customers were more frequently satisfied (53%) with the overall quality of service provided by DDES than were repeat customers (37%).
- Customers who submitted applications to DDES via the pre-submittal walk-in review process implemented this year were more frequently satisfied (48%) than those who submitted applications by mail, pre-application conference, or scheduled intake appointment (38%-41%).

These findings confirm that timeliness of permitting decisions remains an enduring determinant of customer satisfaction, and that DDES has much room for improvement in this aspect of its customer service. The survey also suggests that operational changes put in place this year are improving customer satisfaction.

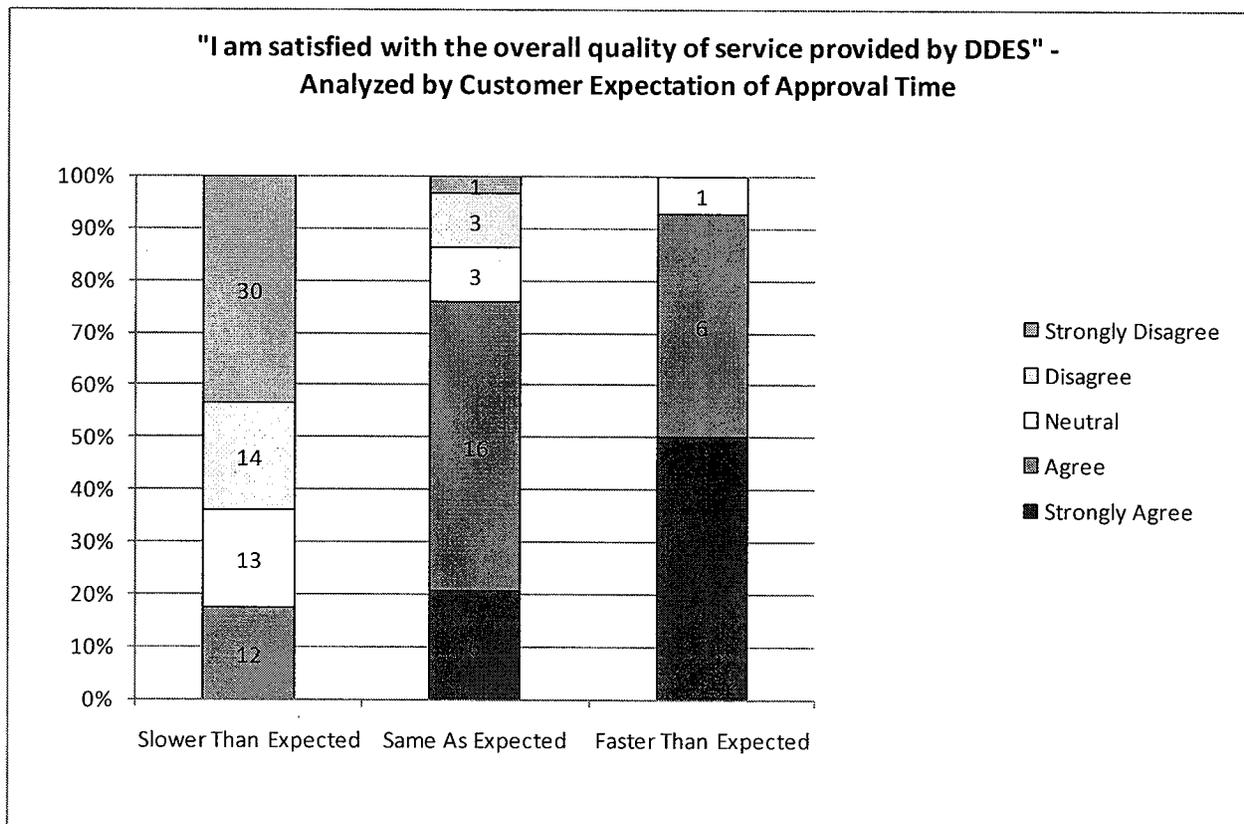
At the end of the survey, customers were asked an open-ended question about how DDES could improve its services. Customer comments were reviewed and categorized based on the general themes presented in each response. The most common themes are presented in the following table which lists the frequency of each theme in the responses.

Suggested Change	Frequency
Faster application review process	29
Less convoluted review process, or better inter-agency coordination	25
Clearer, more consistent communication of permitting requirements or timelines	22
Shorter response time to inquiries	13
Lower permit fees	9
More predictable fees or understandable billing practices	7
Streamlined, updated regulations	6
More accurate, accessible, or understandable information on forms or website	5

This feedback corroborates the quantitative responses, and confirms the priority that DDES is placing on improving its customer service and permit review processes.

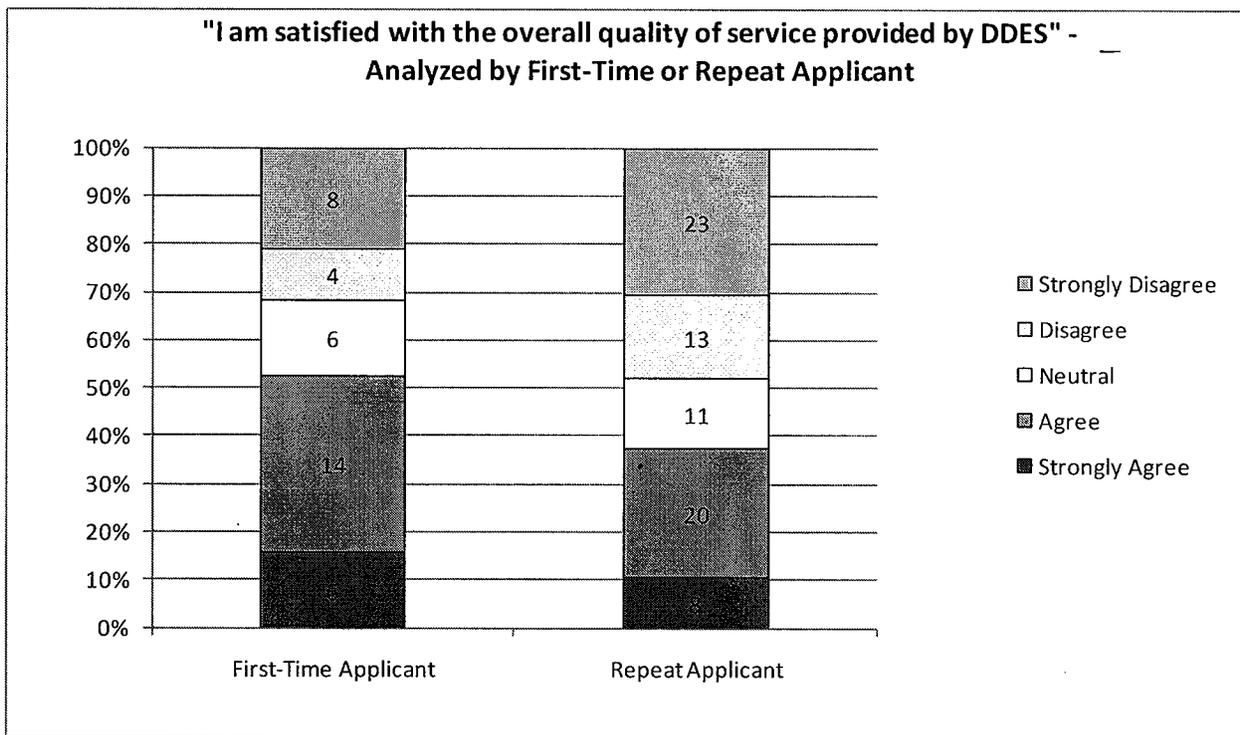
### Analysis of Responses: Customer Expectations

Timeliness of permitting decisions is a key determinant of customer satisfaction. To confirm this understanding, the overall satisfaction of respondents was analyzed by their self-reported expectations of approval time. The chart below illustrates the finding that 93% of respondents were satisfied overall when decisions were reached faster than expected. When decisions were reached more slowly than expected, only 17% of respondents were satisfied overall. (The number of responses appears in each bar.)



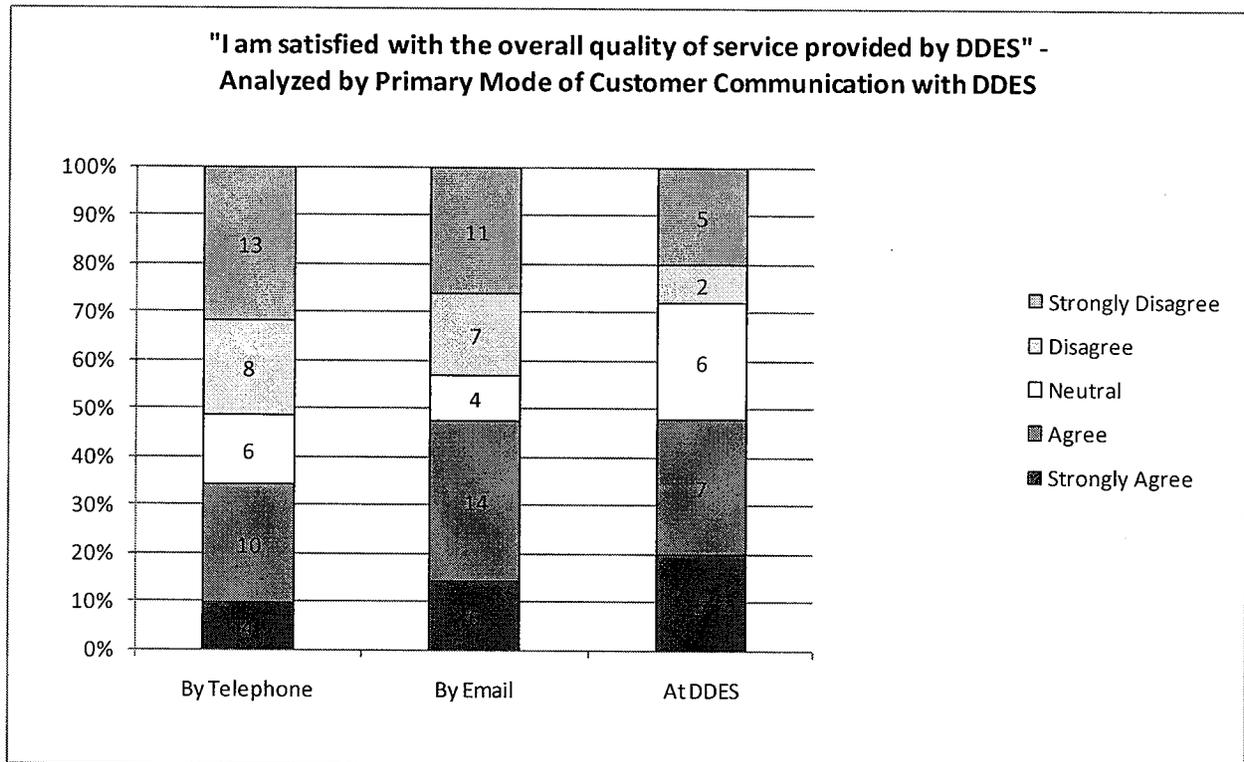
## Analysis of Responses: Customer Experience with DDES

Respondents whose initial experience with DDES occurred in 2011 are much more frequently satisfied than respondents having prior experience with DDES. The chart below illustrates the finding that 53% of first-time applicants were satisfied overall, whereas 37% of veteran applicants were satisfied overall. This finding is similar to that of previous studies. In the current-year survey period, veteran customers increased as a proportion of all respondents, which may partly account for reduction in the overall satisfaction rating since the 2008 survey. (The number of responses appears in each bar.)



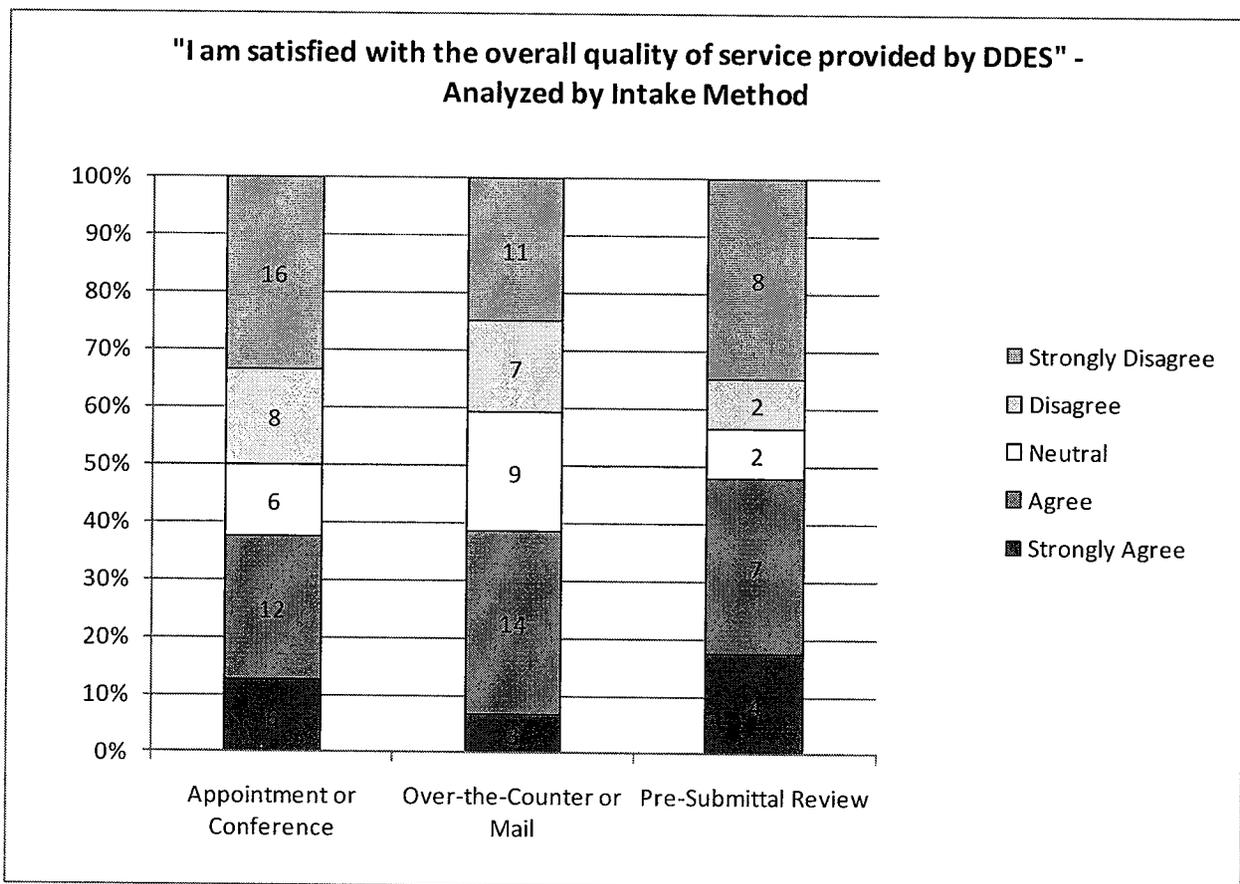
### Analysis of Responses: Customer Mode of Communication

Communicating with DDES by telephone is less satisfying than by email or in person at the DDES. The chart below illustrates the finding that 48% of respondents were satisfied overall when their primary means of communication with DDES was either by email or in person, whereas 34% of respondents were satisfied overall when they primarily communicated by telephone. (The number of responses appears in each bar.)



### Analysis of Responses: Intake Method

The impact of operational changes is indicated by the satisfaction of customers using the recently-implemented pre-submittal walk-in review process. This pre-submittal process gives applicants same-day access to expert staff at DDES who vet applications for readiness and assist with preparation to submit them. This process is aimed at applicants whose projects are too complex to receive approval over-the-counter, but do not require a full-scale pre-application conference. The chart below illustrates the finding that 48% of respondents who submitted applications via this new method were satisfied overall, whereas 38-39% of respondents who submitted applications by other methods were satisfied overall. (The number of responses appears in each bar.) This finding corroborates the expectation that DDES customers with moderately complex projects are better satisfied when provided service on-demand instead of having to schedule an appointment. Because this process generates higher-quality applications, it is also expected to accelerate application review after submittal, further enhancing customer satisfaction with the quality of DDES service.



## Survey Process and Design: Comparison of Past and Current Surveys

Past and current-year surveys asked customers to rate several aspects of DDES service on a scale from one to five. Based on all customer responses, a weighted average score was calculated for each question or statement.

In 2005, 2006 and 2008, DDES hired a consultant to survey customers by telephone, and focused the survey on customers who had completed the permitting process. In contrast, the current-year survey was conducted via an anonymous electronic questionnaire accessed by respondents at a non-County website. The current-year survey also differed by soliciting feedback from customers in all stages of permit review and inspection or who had withdrawn applications or cancelled permits. This choice to broaden the survey group was made in order to capture the impact of the recent operational changes on customer satisfaction. Comparison of findings between the current-year and past-year surveys is presented below, but must be qualified by the divergence in survey method and customer sample.

<b>Quality Statement: 1 = Strong Disagreement, 5 = Strong Agreement</b>	<b>Weighted Rating*</b>	
	<b>2008</b>	<b>2011</b>
I am satisfied with the overall quality of service provided by DDES.	3.53	2.87
Staff was courteous and professional.	4.23	3.71
DDES staff reached a fair decision or conclusion on my application.	3.57	3.43
When I applied for my permit, I knew what the total fees would be to process my application.	NA	3.19
DDES staff provided accurate and understandable information about permitting requirements.	3.48	3.32
Staff inspected my project within a reasonable timeframe.	4.37	3.26
I knew who to contact at DDES when I had a question about my project or its status.	NA	3.15
DDES staff provided accurate and understandable information about the status of my project.	3.02	3.06
DDES application forms and instructions are easy to read.	NA	3.20
Staff responded to questions about my project within a reasonable timeframe	3.57	2.93
Staff notified me when corrections to plans were needed within a reasonable timeframe.	3.02	3.03
DDES application forms and instructions are easy to find on the internet.	NA	3.09
Staff notified me when additional information was needed within a reasonable timeframe.	3.02	2.89
DDES application forms and instructions provide accurate information about the permitting process.	NA	3.04
Staff reached a decision on my project within a reasonable timeframe.	2.96	2.50
Each time I called, I was connected to staff who was able to answer my	NA	2.62

questions.		
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[\*Note on table: In 2008, the rating scale described satisfaction, with one indicating low satisfaction and five indicating high satisfaction. In 2011, the rating scale described agreement with statements of quality, with Strongly Disagree assigned a value of one and Strongly Agree assigned a value of five.]

Customer satisfaction, as reported by the current-year survey, apparently declined since the 2008 survey for nearly every aspect of DDES services. DDES senior management believes that this systemic decline reflects several dynamics within and external to the department:

- The weak economy, falling land values, and declining development activity: DDES customer satisfaction peaked in 2007 according to previous surveys, then fell in 2008, and again in 2011, mirroring the financial standing and prospects of DDES customers in general.
- Repeat customers as a proportion of all customers: The past and current-year surveys consistently indicate that repeat customers are less likely to be satisfied with DDES services than first-time customers. Repeat customers, as a proportion of all customers, have increased from 2008 to 2011.
- Rapid and profound change in the department: Since 2007, when severe reductions in force began at DDES, the staff assigned to applications and permits has changed repeatedly, impacting continuity of service to DDES customers, especially repeat customers. DDES staff not laid-off have been challenged to assimilate projects mid-review, and the prospect of further reductions in force have dampened morale. Since 2010, departmental reform initiatives have begun to improve permit intake and approval timelines, but have also outpaced the department's ability to re-train staff and educate customers about new policies, procedures, and fees. As the department has moved through the neutral zone created by this disruptive change, the clarity, certainty, and timeliness of communication with customers has suffered.
- Broadening the customer survey: Unlike past surveys, the current-year survey addressed customers with applications pending approval and permits under inspection. DDES senior management believes that customer satisfaction materially increases after permit approval, and so broadening the survey audience has systemically lowered the ratings. For this reason, the current-year survey should be viewed as establishing a new baseline of customer satisfaction ratings. Future surveys could analyze customer satisfaction by permit status, in order to validate and measure the effect of permit approval on customer satisfaction.

### **Customer Service and Process Improvement Priorities**

- Continued process streamlining to shorten approval time: Since 2010, streamlining and efficiency proposals have been forwarded or implemented for infrastructure approval and performance bonding inspection, over-the-counter permit issuance, and pre-submittal walk-in review that includes interdepartmental hands off with Environmental Health. Lean review of other processes is currently in planning.
- Convert hourly fees to fixed fees to increase fee predictability: The last step of this conversion process has been proposed for 2012.
- Relocate offices closer to customers who would prefer to use the pre-submittal walk-in review services: This effort is currently underway.
- Re-organize operations putting a customer service, permit, and records management team at the forefront of the agency: This effort is in the planning stages in conjunction with the intended office relocation, and includes revamped systems and procedures for receiving and routing telephone inquiries, and expectations for responsiveness when immediate response is not feasible.
- Train staff to enhance customer service: Planning to do so is proceeding in conjunction with the planning for office relocation and transfer of urban services to cities. Included in this training effort would be work related to identifying the underlying reasons customers perceive they are unable to be directed, in a timely and satisfactory way, to a subject matter expert capable of responding to their inquiries.
- Implement on-line permit application via the web, including an on-line fee calculator to estimate permit fees, as part of the Permitting Integration project: Scheduled to occur in 2012.
- Publish process maps or decision diagrams to better inform customers of approval process.