Memorandum



DATE November 1, 2024

TO Honorable Mayor and Members of the City Council

SUBJECT Subject: Commercial Permitting Process Improvement Updates

The Planning and Development Department is (PDD) pleased to announce several process improvements updates related to commercial permitting.

Reduced Median Turnaround Time for New Commercial Permits

In June 2024 the PDD department launched a public dashboard to transparently track commercial permitting metrics. The <u>Commercial Permitting Dashboard</u> reports on monthly outcomes including the median days to issue each type of permit. The longest turnaround time has long been for New Construction Commercial Permits, which have historically taken a median of 300+ days.

I am pleased to announce that the October 2024 median issuance time for New Construction Commercial Permits dropped to 112 days, the lowest median time of 2024 and one of the lowest since 2021. PDD is working on system updates and process improvements, including those described below, to maintain this faster turnaround time going forward.

Closeout of Stale Permits

Approximately 9,800 stale permits have lingered in the permitting system, clogging workflows and skewing data outcomes. These inactive permits clog the permitting system and skew data outcomes. At the beginning of October, the PDD team launched an effort to close out these stale permits. As of today, a total of 4,547 of the 9,800 stale permits have been closed, and the team will continue working to resolve the remainder this year.

Commercial Permitting Process Improvement Project

Finally, PDD is excited to announce that a new Commercial Permitting Process Improvement Project began on October 1, 2024. This initiative aims to streamline the entire commercial permitting process—from intake to the issuance of building permits—with the goal of reducing permit turnaround time and enhancing the overall customer experience.

This project will incorporate the use of Lean Six Sigma tools for the evaluation and analysis. The project is being led by the Continuous Improvement Specialist Team with the City of Dallas, in collaboration with the Toyota Production System Support Center (TSSC). The team aims to identify bottlenecks, improve process flow, and make the City's permitting system more efficient and responsive.

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To drive this effort, PDD has assembled a team that includes representatives from all divisions involved in the commercial permitting process:

- Intake
- Minor Commercial
- Building Code
- Mechanical/Plumbing
- Electrical
- Arborist
- Zoning
- Engineering (paving, drainage, and water/wastewater)
- Transportation
- Sanitation
- Green/Energy

PDD is also collaborating with the Data Analytics and Business Intelligence (DBI) team, who manage the Commercial Permitting Dashboard. Together, we are using data analysis to identify key areas where the permitting process can be improved.

The goal of this work is to reduce the number of days it takes to issue commercial permits, improve process efficiency, and enhance the customer experience. For the initial analysis, the team examined a sample of 36 multifamily building permits issued between October 2023 and September 2024. Multifamily projects were specifically chosen due to their engagement with nearly all review disciplines. Preliminary results indicate that the Drainage/Paving Engineering, Water/Wastewater Engineering, Zoning, Building Code, and Landscape reviews have the longest approval times. Currently, the team is concentrating on evaluating the zoning review process.

The PDD team will continue to update the Council as this project moves forward.

Should you have any questions or concerns, please contact Emily Liu, Director of Planning and Development Department, at yu.liu@dallas.gov.

Service First, Now!

Robin Bentley

Assistant City Manager (I)

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