

Financial & Service Overview

Pima County Development
Services

March 11, 2010

Agenda



- Development Services Overview
 - Program Summary
 - Financial Structure
- Financial Perspective
 - Historic Overview
 - Current Budget
 - Future Forecast
- Staffing & Service Delivery Levels
- Fee Comparison & DSD Fee Considerations
- Fee Amendment Time Line
- Open Discussion / Industry Input

Program Summary



- Planning Program
 - Comprehensive Plan
 - Rezoning
 - Code Development and Enforcement
- Development Review Program
 - Subdivision Plat and Development Plan
 - Landscape and Native Plant Preservation
 - Sewer & Paving/Grading Improvement Plans
- Permitting
 - Building Safety
 - Zoning, Grading, Floodplain, Septic and Sewer
 - Health Department and Industrial Waste

Financial Structure

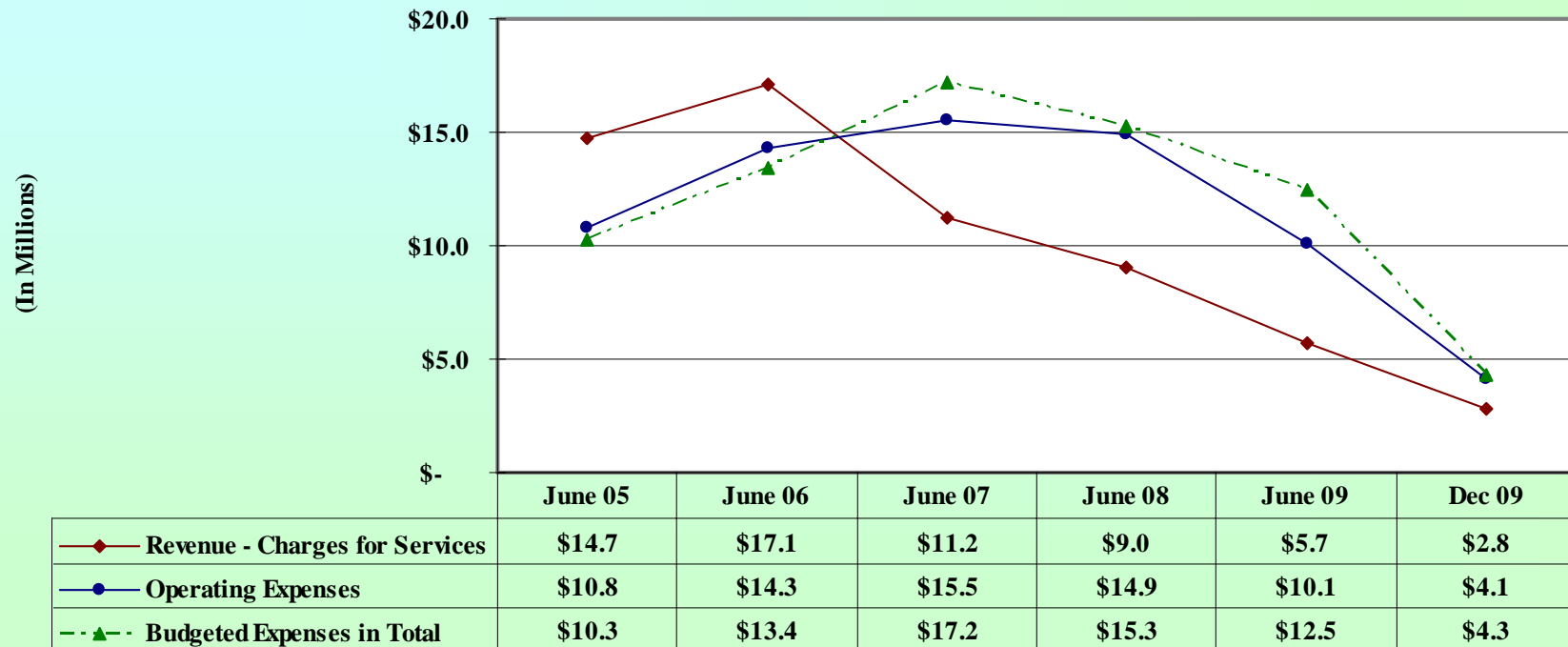


- Enterprise Fund
 - Operate on revenue from plan review and permitting
- "Arena" Court Settlement
 - Funds cannot be used for other County functions
 - Annual revenue in excess of expenses is maintained in a reserve fund
- Aggregate Budget
 - Fees and budget set based on all Program needs

Historic Overview

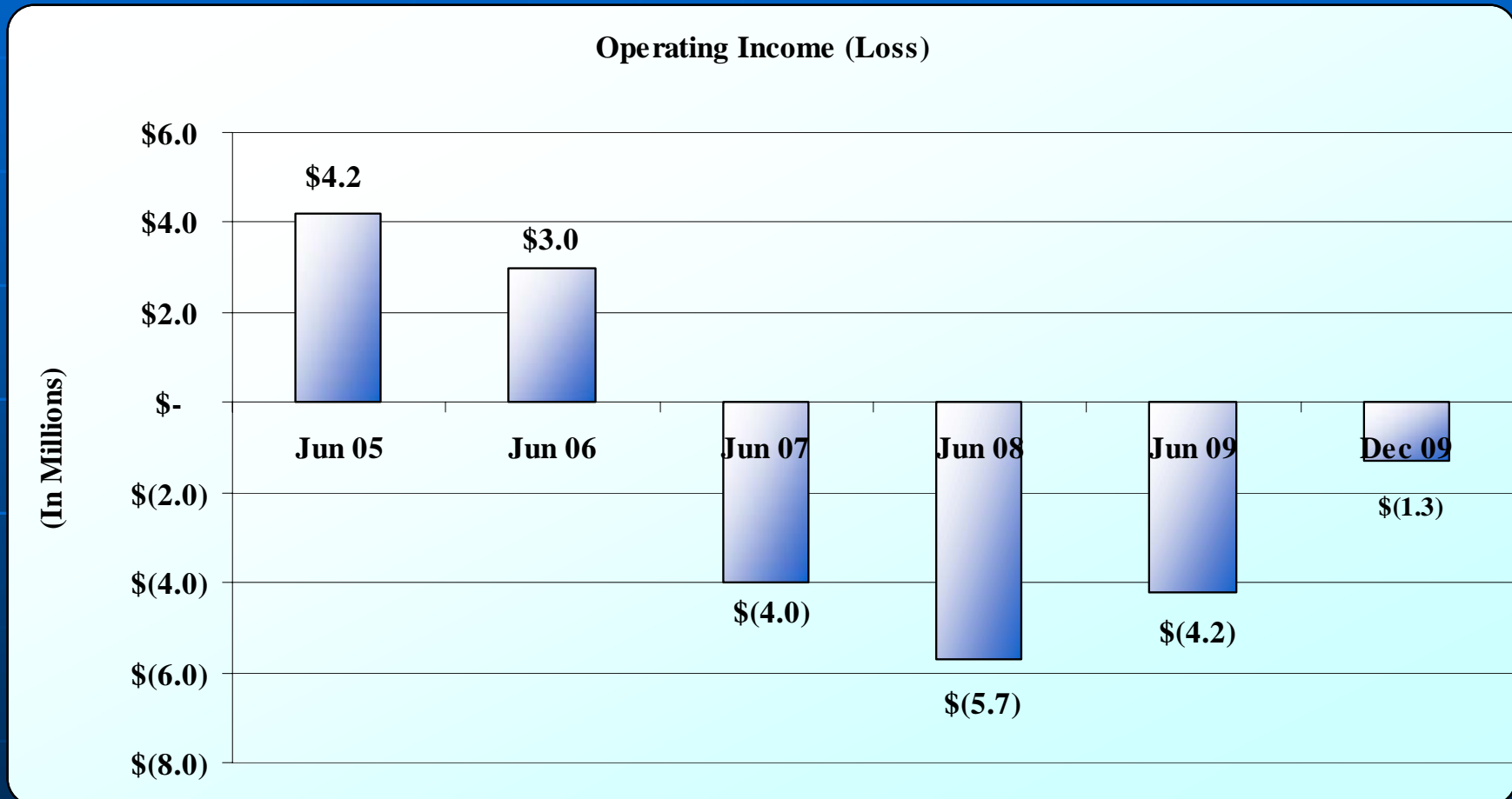


Comparison of Operating Revenue, Expenses and Budget



December 09 totals reflect 6 months; FY 09/10 budgeted expenses total \$8,529,610

Annual Income/Loss

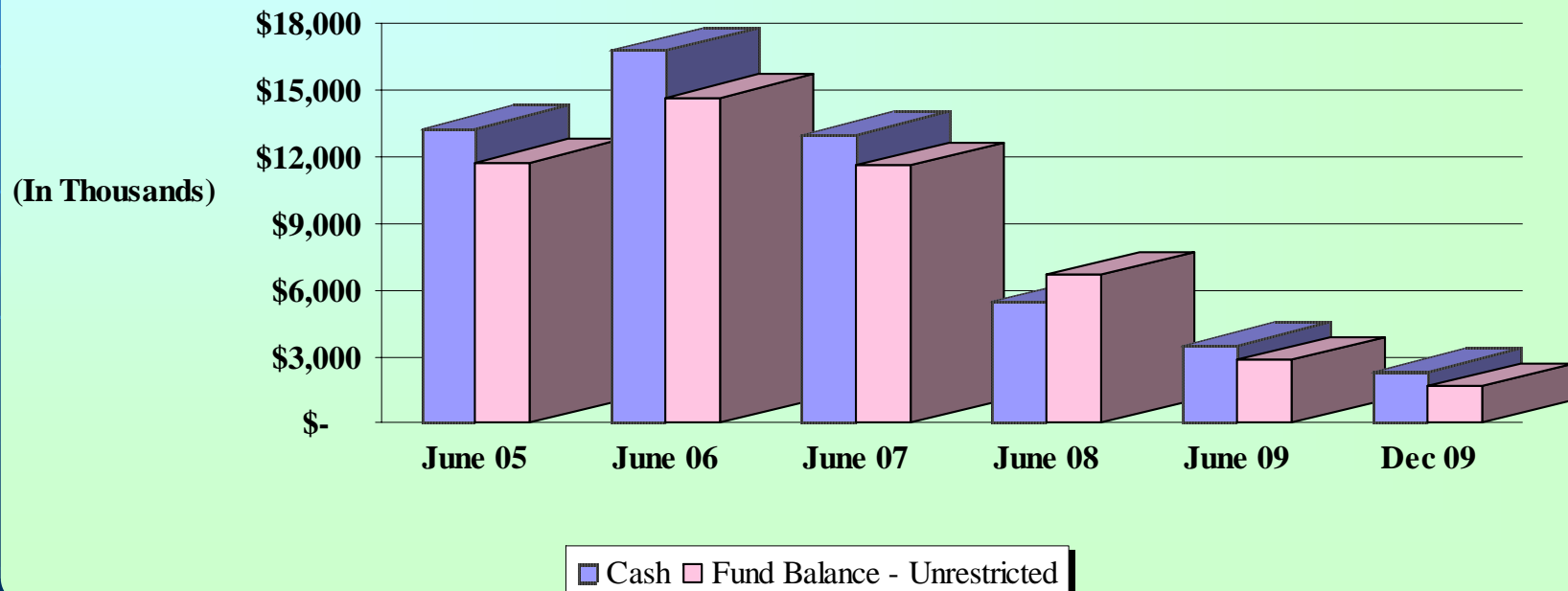


December 09 totals reflect first 6 months of FY 09/10

Reserve Balance



Cash and Unrestricted Fund Balance



Current Budget



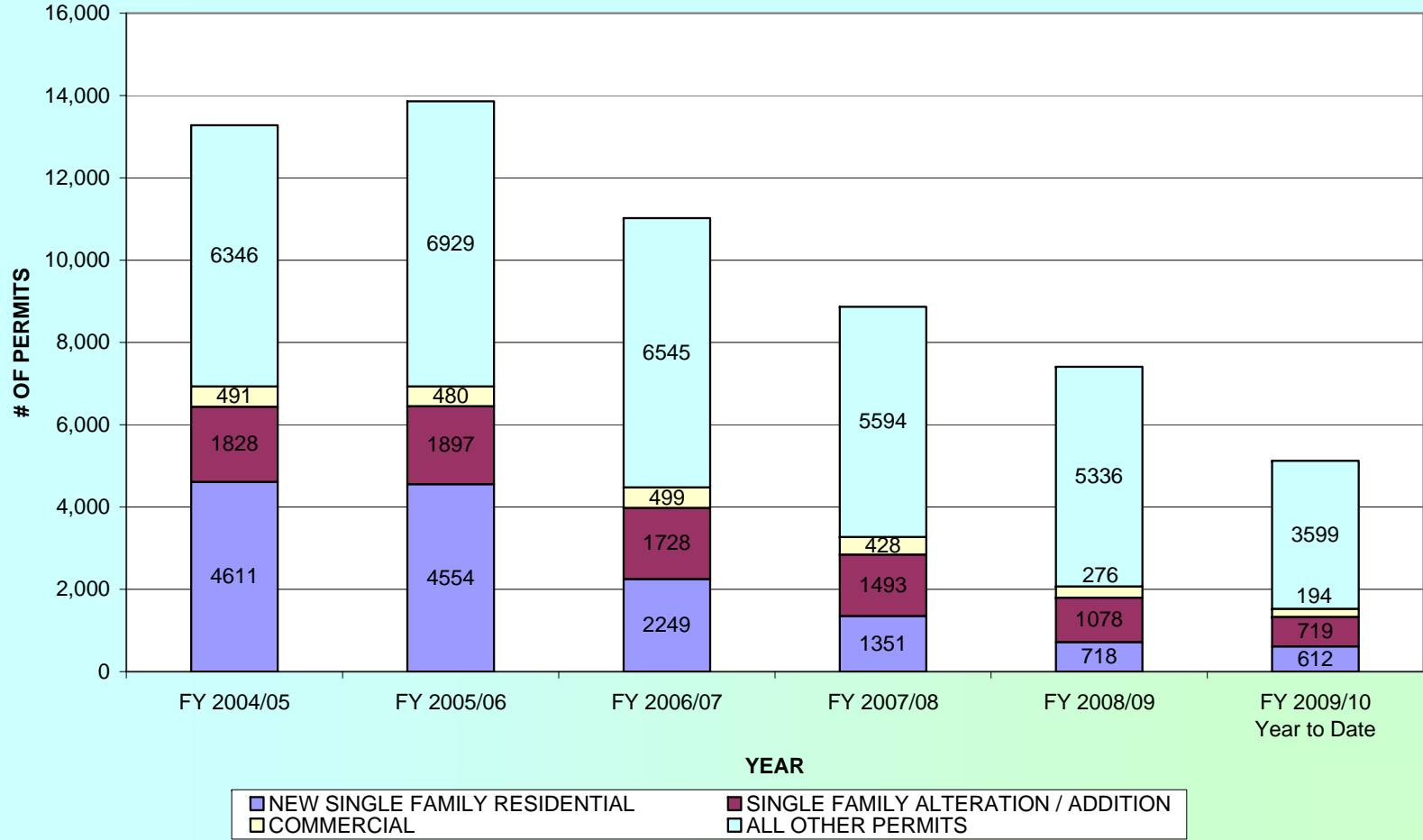
	2009/10 Approved Budget	2009/10 Year- End Forecast	Budget to Forecast Variance
Expense	\$8,529,610	\$7,782,827	(\$746,783)
Revenue	\$6,222,600	\$5,250,000	(\$976,600)
Operating Loss	(\$2,307,010)	(\$2,532,827)	\$225,817
General Fund Contribution	\$2,000,000	\$2,000,000	0
Net Fund Impact	(\$307,010)	(\$532,827)	\$225,817

(based on January actual revenue/expenses)

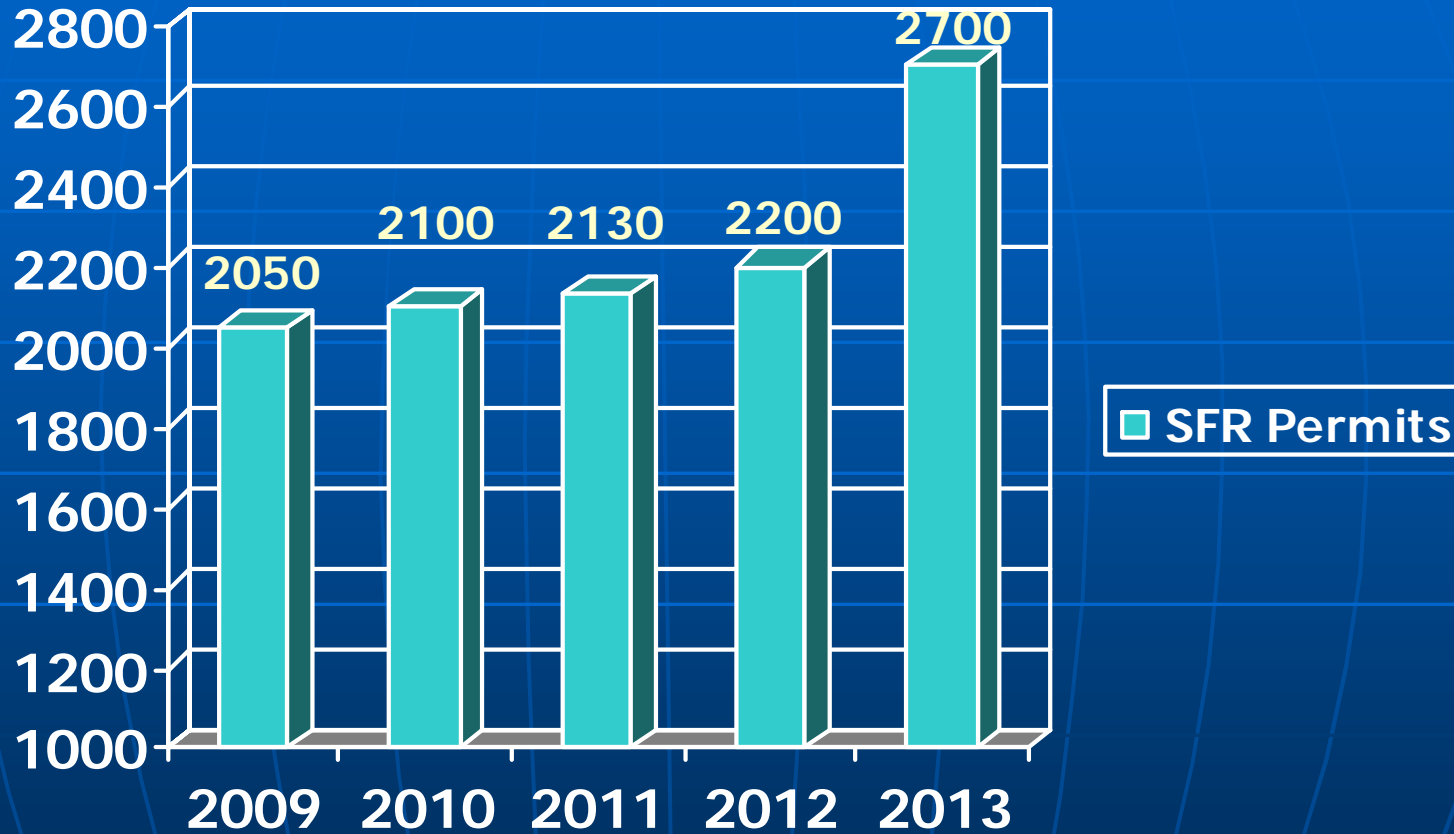
Permit Activity



**PIMA COUNTY BUILDING PERMITS
(FY 2004/2005 - FY 2009/2010 YTD)**



Regional Permits



From Tucson Housing Market Forecast for 2010

FY 10/11 Budget



	FY 2009/10 Approved	FY 2010/11 Requested	\$ Change	% Change
Expenditures	\$8,529,610	\$7,073,273	(\$1,456,337)	-17.0%
Revenue	\$6,222,600	\$5,392,445	(\$830,155)	-13.3%
Loss Before GF Support	(\$2,307,010)	(\$1,680,828)	\$626,182	-27.1%
GF Support	\$2,000,000	\$1,500,000	(\$500,000)	-25.0%
Loss/Fund Impact	(\$307,010)	(\$180,828)	\$126,182	-41.1%

*GF Support not guaranteed for FY 10/11; requires County Administrator/Board approval
 FY 10/11 requested budget is 59% less than approved FY06/07 budget*

Staffing & Service

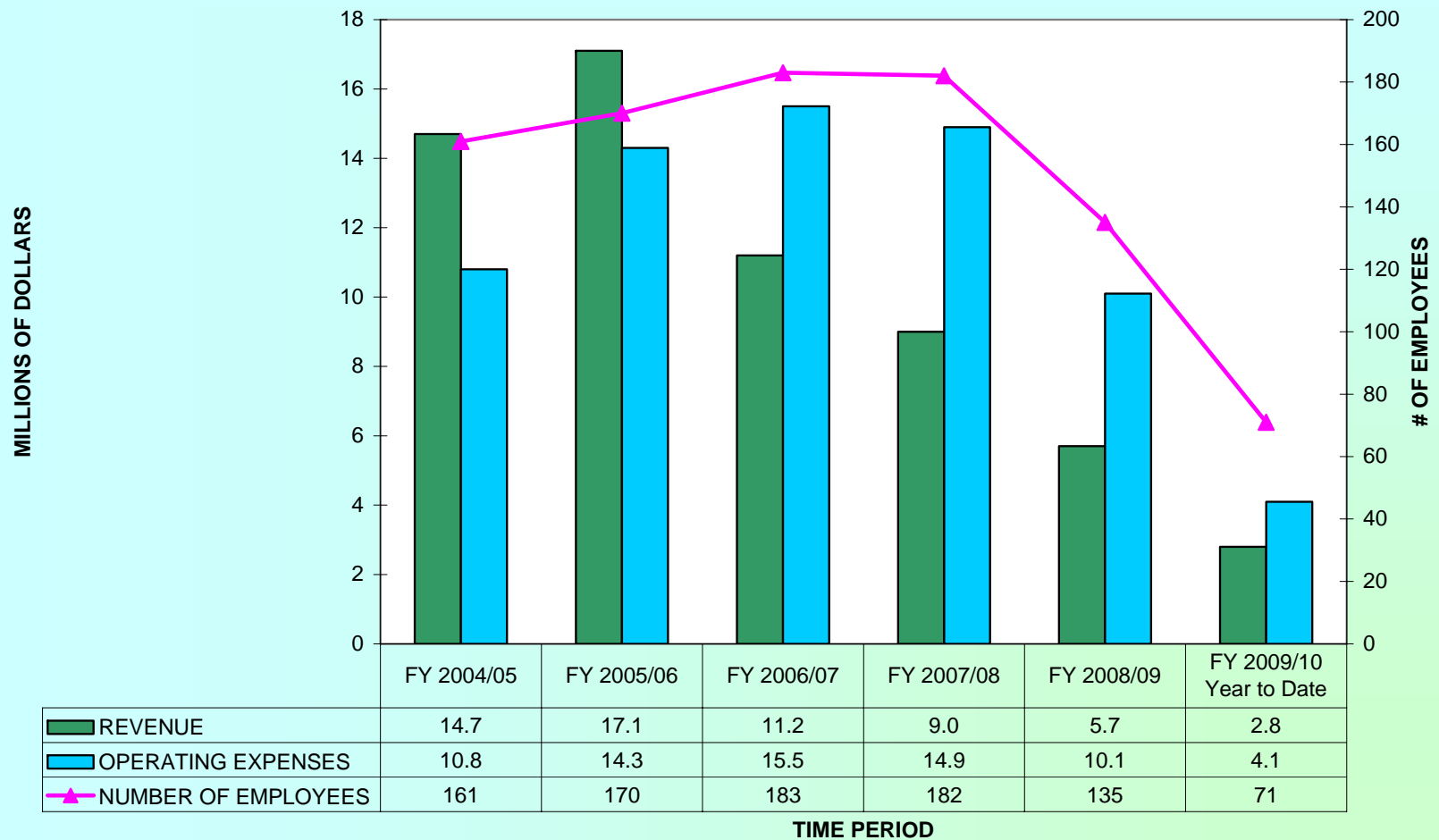


- Sixty-four percent (64%) reduction in staffing from FY 06/07 to current
- Two layoffs totaling roughly 40 positions (January and March 2009)
- Transferred staff to other departments and eliminated vacant DSD positions
- Submitted draft layoff proposal to County Administrator in December 2009 resulting in direction to evaluate other options
- Improved turn-around time in most areas despite reductions in staffing

Staffing Levels



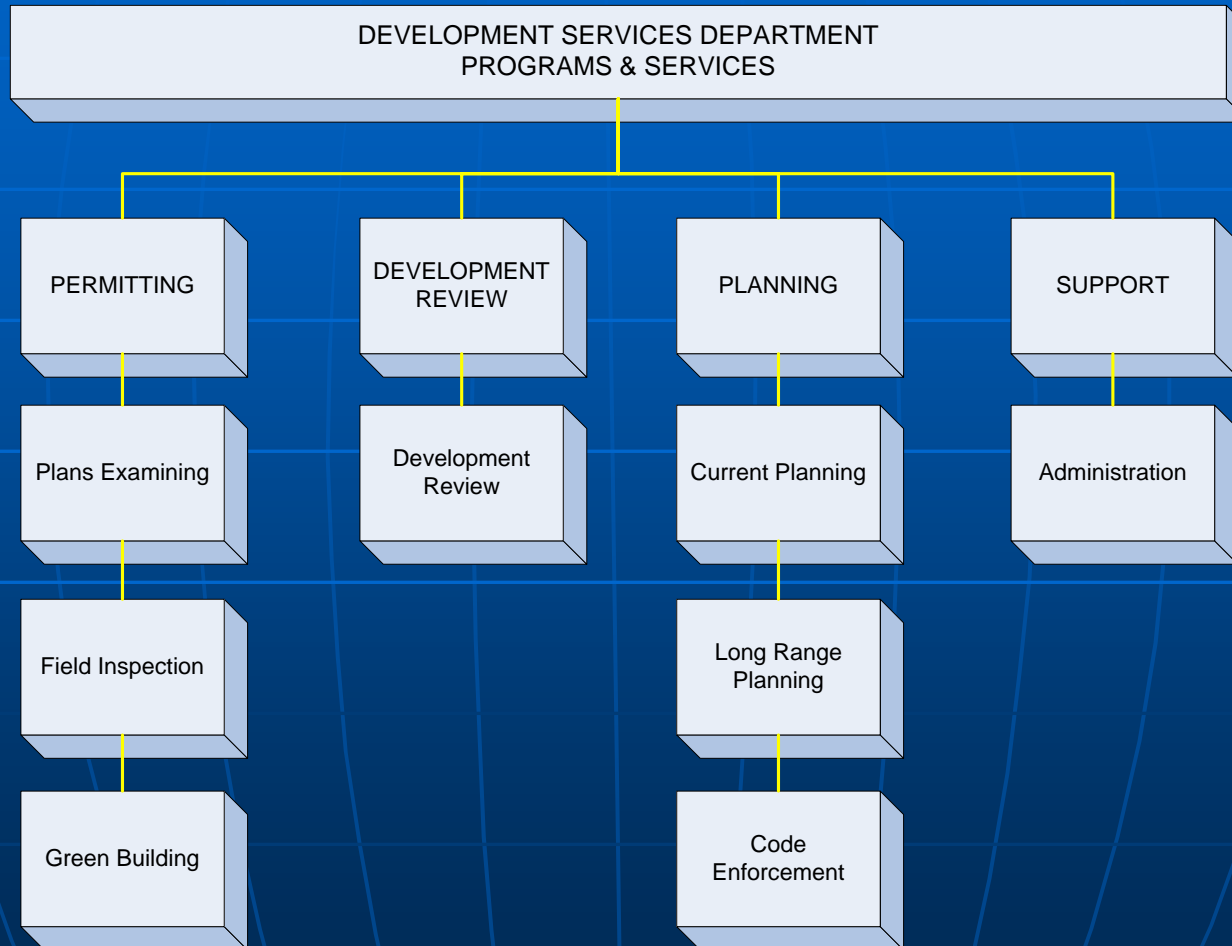
COMPARISON OF REVENUE, OPERATING EXPENSES AND THE NUMBER OF FULL-TIME EMPLOYEES BY FISCAL YEAR



FY 04/05 Org Chart



FY 09/10 Org Chart



Review Times



	Building Permits	Development Plan	Site Development Plan	Subdivision Plat	Sewer Plan	Paving & Grading Plan
# of Plans Approved	2489	12	2	5	15	16
Average # of Reviews	1.1	2.8	2.5	3.8	2.9	2.1
Average # of Working Days per Review	1.5	14.7	4.1	15.0	6.3	6.4

Fee Comparison



- Conducted comparison with City of Tucson and Marana fees
- Encountered variation in feeing methodology between jurisdictions
- Collected data on actual projects wherever possible; easier for City comparison based on same permitting system
- Applied other jurisdictions fee ordinance to County projects to determine fee difference
- County below City in nearly all categories
- County lower than Marana except for Planning categories

County Fees Compared to City



Process	Type	Average % Difference
Permitting	New Single Family Dwelling	-14.40%
	Single Family Additions	-45.50%
	New Commercial	-62.80%
	Commercial Additions	-115.80%
Planning	Rezoning	-100.60%
	Rezoning Time Extension	-43.60%
	Rezoning Condition Modification - Substantial / Major	-182.80%
	Rezoning Condition Modification - Regular / Minor	-26.20%
	Plan Amendments	-63.50%
	Board of Adjustment (Variances, Temporary Use)	37.00%
Development Review	Administrative Modifications (Setbacks)	-79.60%
	Subdivision Plat	-16.00%
	Development Plan	7.80%
	Grading Improvement Plan	-61.10%

County Fees Compared to Marana



Process	Type	Average % Difference
Permitting	New Single Family Dwelling	-130.92%
	Single Family Additions	-166.77%
	New Commercial	-104.07%
	Commercial Additions	-62.90%
Planning	Rezoning	10.39%
	Rezoning Time Extension	33.54%
	Rezoning Condition Modification - Substantial / Major	-17.34%
	Rezoning Condition Modification - Regular / Minor	61.95%
	Plan Amendments	24.34%
	Board of Adjustment (Variances, Temporary Use)	45.46%
Administrative Modifications (Setbacks)	N/A	
Development Review	Subdivision Plat	-4.34%
	Development Plan	Pending
	Grading Improvement Plan	Pending

DSD Considerations



- Service levels not sustainable at current revenues
- \$1.5M projected operating loss for 10/11 based on activity forecast
- Unable to continue to rely on reserve fund
- Roughly 30% revenue increase to fully cover expenses for FY 10/11
- No guarantee of General Fund Support due to overall County financial challenges
- If unable to offset or partial offset loss with fees, further personnel reductions may be required which will negatively impact service levels

Time Line



- Stakeholder Meetings: March 8 – March 12
- P/Z Study Session Briefing: March 31
- Draft Fee Amendment: April 1
- Follow-up Stakeholder Meetings: April 5 – April 9
- P/Z Hearing: April 28
- BOS Hearing: May 11

Open Discussion



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