

Fund 40200: Land Development Services

Mission

The mission of Fund 40200, Land Development Services (LDS), focuses on the safe and sustainable building of communities throughout Fairfax County. As such, the fund is committed to the protection of the environment, and the health, safety, and welfare of all who live in, work in, and visit Fairfax County. Through partnerships with stakeholders, LDS achieves excellence in service by balancing the needs, rights, and interests of the community in the building and land development process.

Connection to the Countywide Strategic Plan

The Fairfax County Board of Supervisors adopted the first-ever Countywide Strategic Plan on October 5, 2021. The Countywide Strategic Plan serves as a road map to help guide future work, focusing on the 10 Community Outcome Areas that represent the issues of greatest importance to the community, and uses our One Fairfax equity policy to invest in people and places that have limited access to opportunity. On February 20, 2024, the second Annual Report on the work of the strategic plan was released to the public. The report contains point-in-time progress highlights for each of the community outcome areas, plus three data dashboards and data stories that are being replicated across all of the outcome areas, and a number of additional initiatives to embed the elements of the plan within department-level work. The report also includes a Year Three Implementation Model, which will engage hundreds of County subject-matter experts to identify and champion the specific strategies that will move forward to implementation under the guidance of the Board of Supervisors. For more information on the Countywide Strategic Plan, please visit www.fairfaxcounty.gov/strategicplan. Land Development Services primarily supports the following Community Outcome Areas:



Community Outcome Area	Vision Statement
Economic Opportunity	<i>All people, businesses, and places are thriving economically.</i>
Safety and Security	<i>All people feel safe at home, school, work and in the community.</i>

Focus

Fund 40200 was established as part of the FY 2023 Adopted Budget Plan to serve as a dedicated funding source to help realize the Board of Supervisors' vision and community values for safe and sustainable communities, as codified in the regulations that guide building and land development design and construction. Funding which previously provided General Fund support for Agency 31, Land Development Services, and funding associated with employee fringe benefits in Agency 89, Employee Benefits, was transferred to Fund 40200 to provide an accounting mechanism to reflect all revenues and expenditures assigned to LDS activities in a dedicated Special Revenue Fund.

The fund is supported by the fees and charges assessed by LDS. It is expected that the fees will be calculated to cover the required services and reserves necessary to operate those services year over year. Fee schedules are expected to be adjusted periodically to reflect market trends and to ensure that cost recovery is maximized. An appropriate level of operating reserves will be

Fund 40200: Land Development Services

determined such that they are robust enough to sustain the fund operations during periods of economic uncertainty. Any excess revenues at year-end will stay in the fund and may be used for future investment or to help finance operating activities when fee revenues do not fully support expenses. The self-sustaining nature of the fund will also allow for more flexibility in responding to market demands to increase staff and resources, as land development fees will cover land development activities. The fund will also make investments in both capital technology costs and annual hardware replacement. In addition, the fund will cover indirect costs for central support services provided by General Fund agencies as well as other operational costs such as space and utilities.

LDS is the gateway agency to land and site development in the County. It facilitates the safe and sustainable building of Fairfax County communities, protecting the health, safety, and welfare of the County's structures. The role of LDS is to preserve community character and facilitate economic development, which involves about \$2 billion worth of construction annually.

This important mission is accomplished by having customers apply for permits and submit plans, when required, for certain land disturbance, building construction, or building modification activities. Permits and plans are reviewed by professional engineers and code specialists at LDS to ensure safety, followed by inspections before projects are deemed complete and safe for occupancy. Whether staff are working with large commercial projects, smaller single-family homes, deck renovations, office tenant improvements, or other projects, they are responsible for ensuring that all buildings and sites developed in Fairfax County meet safety, health, and environmental standards.

On average, LDS staff process around 5,800 building permit applications per month. Applications range from gas appliance installations and residential additions, such as decks, to the coordination of large, commercial development projects that involve public improvements, such as streetlights, sewer systems, or sidewalks. LDS processes approximately 55,000 building permits and conducts 153,000 building inspections and 46,000 site inspections each year. These services generated almost \$47 million in revenue in FY 2023 via fees collected.

In addition to LDS' role in ensuring safe buildings in the County, staff also enforce environmental compliance through the administration of the Chesapeake Bay Preservation Ordinance, County, and federal floodplain regulations, and erosion control and stormwater management code, as well as through the application of green building practices.

In FY 2023, LDS launched the Planning and Land Use System (PLUS), a modernized and centralized permitting platform. PLUS improves the efficiency and effectiveness of the land development process, aligning with the "Effective and Efficient Government" community outcome area of the Fairfax County Strategic Plan. Agency staff continue to seek innovative methods of reaching out to customers to ensure that everyone can successfully navigate the permitting process, which can feel complicated, especially for homeowners who do not need to use the PLUS platform on a regular basis, unlike professional contractors and large development companies.

Staff understand that regulations and codes can feel even more complicated for non-native English speakers. For all customers, LDS is continually adding opportunities for education. Multiple documents, instructions, user guides, videos, and webinars are made available online, and translation and interpretation are being pursued aggressively. Staff are also available to answer questions in person at the Herrity Building, during workshops at locations around the County, and at other special events such as the Capital Home Show. In observation of the One Fairfax policy, LDS has developed an equity impact plan, which includes providing dedicated attention to customers experiencing challenges accessing the PLUS system (e.g., language or computer literacy). Customers can also schedule one-on-one virtual meetings with staff to ask questions about their

Fund 40200: Land Development Services

projects. In addition, LDS leadership have established equity training classes and created tools and dashboards so staff can first identify where the need for support and education about County codes and permitting expectations is greatest in the County, and then conduct targeted outreach in those areas. Training and education are also offered to the builders, designers, and other professionals in the home and commercial building industries when processes are modified.

LDS attempts to minimize the administrative burden for development projects against the increasing complexity of regulatory compliance. This difficult balance is further complicated by continued development of smaller and environmentally complex project sites. Despite the regulatory difficulty involved, a driving force for the agency's work is to minimize the time it takes for a project to move through the permit review process from submission to permit issuance. One reoccurring obstacle inhibiting short timelines is low-quality plans that do not meet minimum standards. To address this, in partnership with industry LDS launched a "gateway review" in September 2020. While the transition to include this step in the process took several months for customers to embrace, it has ensured that high-quality, approval-ready plans do not languish in a queue filled with substandard applications.

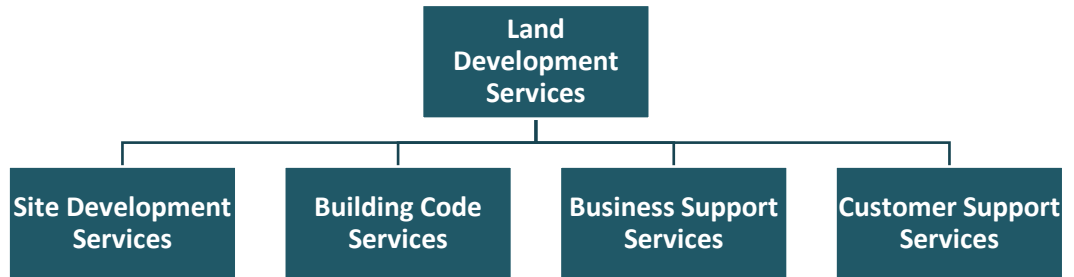
For FY 2025, LDS has proposed to adjust the LDS Fee Schedule for plan review, permits, and inspection services. The last comprehensive increase in LDS fees occurred in January 2015. At that time, the Board approved a 20 percent increase to most LDS fees to support initiatives to enhance the timeliness, quality, and customer-centric focus of the regulatory review process. Some fees were left unchanged as they were deemed sufficient to cover the actual costs of providing services. Since the last fee adjustment in FY 2015, LDS has added 62 new merit positions, a 22.8 percent increase in staffing. These new positions are directly dedicated to supporting permit issuance operations and ongoing efforts to enhance and streamline the permit application process. LDS expenditures have also increased as a result of market rate adjustments (MRA), performance-based salary increases, benchmark salary increases for certain positions, fringe benefits costs, IT costs related to the PLUS system, and Operating Expense costs due to inflationary pressures. While expenditures have continued to increase, revenue collection is trending downward. To ensure that the LDS Special Revenue Fund is sustainable and self-supporting for the costs allocated to the fund, a fee increase effective for FY 2025 is recommended. The anticipated additional revenue as a result of the proposed fee increases is expected to bring the cost recovery percentage to approximately 100 percent of the expenses assigned to the Special Revenue Fund. The proposed adjustments will assist LDS in efforts to improve the timeliness, quality, and customer focus of the regulatory review process, conduct ongoing staff training, and enhance the new PLUS platform, as well as maximize cost recovery.

The proposed fee increase encompasses a 25 percent increase in all building fees, a 10 percent increase in all site fees, a 6-percentage point increase in the technology surcharge fee rate, and an additional 2 percent fee on all building and trade permits to support code academy operations, as required by the *Virginia Uniform Statewide Building Code*. Moving forward, LDS intends to implement annual increases in fees based on agency-specific cost pressures (e.g., employee compensation adjustments and contract rate increases) to provide permit, plan review and inspection services. If adopted by the Board, the recommended fee changes are anticipated to generate increased revenue of approximately \$11.8 million in FY 2025. This includes \$8.3 million in incremental building and site revenue and \$3.5 million from technology surcharge fees. This estimate is based on actual FY 2023 revenue, year-to-date revenue collection trends in FY 2024 and assumes a consistent workload in FY 2025. Any reduction in plan and permit activity could have a negative impact on the projected revenue.

Fund 40200: Land Development Services

In FY 2025, LDS will continue to support the County’s economic development and revitalization goals, improve development process timelines, and address rising workload requirements to ensure that the capacity exists to meet customer expectations and development opportunities. This will require a dynamic approach to resourcing that supports the regular course of business but allows LDS to increase resources during surge demand times and to similarly decrease resource expenditures during lower demand times.

Organizational Chart



Budget and Staff Resources

Category	FY 2023 Actual	FY 2024 Adopted	FY 2024 Revised	FY 2025 Advertised
FUNDING				
Expenditures:				
Personnel Services	\$38,955,894	\$43,385,155	\$43,385,155	\$47,422,661
Operating Expenses	7,600,324	6,227,035	7,605,557	8,718,601
Capital Equipment	124,855	0	0	0
Subtotal	\$46,681,073	\$49,612,190	\$50,990,712	\$56,141,262
Less:				
Recovered Costs	(\$711,061)	(\$428,283)	(\$711,000)	(\$894,400)
Total Expenditures	\$45,970,012	\$49,183,907	\$50,279,712	\$55,246,862
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	326 / 326	326 / 326	334 / 334	334 / 334

FY 2025 Funding Adjustments

The following funding adjustments from the FY 2024 Adopted Budget Plan are necessary to support the FY 2025 program:

Employee Compensation \$2,774,766

An increase of \$2,774,766 in Personnel Services includes \$832,827 for a 2.00 percent market rate adjustment (MRA) for all employees and \$611,704 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2024. The remaining increase of \$1,330,235 is included to support employee retention and recruitment efforts that will reduce pay compression and align the County’s pay structures with the market based on benchmark data, as well as cost increases associated with retirement benefits contributions.

Customer Experience and PLUS Maintenance Workload \$1,380,379

An increase of \$1,364,379 in Personnel Services and \$16,000 in Operating Expenses is associated with 8/8.0 FTE new merit positions approved as part of the *FY 2023 Carryover Review* and 1/1.0 FTE position transferred from Agency 35, Department of Planning and Development to LDS during FY 2023 to support operation and maintenance of the PLUS system.

Fund 40200: Land Development Services

Carryover Adjustments **\$1,378,522**

Consistent with the recurring impact approved by the Board of Supervisors as part of the *FY 2023 Carryover Review*, an increase of \$1,378,522 is included in Operating Expenses to address increased costs associated with contracted inspection services required to augment critical workforce needs.

Planning and Land Use System (PLUS) Licenses **\$1,097,044**

An increase of \$1,097,044 for PLUS licenses is based on anticipated billings for licensing costs associated with the utilization of the PLUS system. PLUS is a new multi-agency platform for Fairfax County customers to complete their zoning, building, permitting or other land development processes online. Through PLUS, customers can conduct online transactions such as creating and submitting building permit applications online, pay fees, track application status, receive electronic notifications and conduct searches.

Work Performed for Others **(\$466,117)**

Recovered costs are increased by \$466,117 to reflect the projected amount that is expected to be billed by LDS based on historical billing actuals in previous years.

Other Post-Employment Benefits **(\$101,639)**

A decrease of \$101,639 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust, in Volume 2 of the FY 2025 Advertised Budget Plan.

**Changes to
FY 2024
Adopted
Budget Plan**

The following funding adjustments reflect all approved changes in the FY 2024 Revised Budget Plan since passage of the FY 2024 Adopted Budget Plan. Included are all adjustments made as part of the FY 2023 Carryover Review and all other approved changes through December 31, 2023.

Carryover Adjustments **\$1,095,805**

As part of the *FY 2023 Carryover Review*, the Board of Supervisors approved funding of \$1,378,522 in Operating Expenses primarily to cover increased costs for contracted inspection services required to augment critical workforce needs, partially offset by an increase of \$282,717 in anticipated Recovered Costs. In addition, 8/8.0 FTE new positions were included to enhance the capacity of the Customer Technical Support Center. It should be noted that baseline funding for these new positions is included as part of the FY 2025 Advertised Budget Plan.

Fund 40200: Land Development Services

Position Detail

The FY 2025 Advertised Budget Plan includes the following positions:

LAND DEVELOPMENT SERVICES - 334 positions			
Administration			
1	Director, LDS	1	Human Resources Generalist II
1	Management Analyst IV	1	Human Resources Generalist I
2	Financial Specialists III	3	Administrative Assistants V
2	Financial Specialists II	5	Administrative Assistants IV
1	Financial Specialist I	4	Administrative Assistants III
1	Human Resources Generalist III		
IT Operations			
1	IT Program Manager II	1	Network/Telecom. Analyst I
1	IT Program Manager I	2	Internet/Intranet Architects II
2	IT Systems Architects	1	Geog. Info. Spatial Analyst IV
1	Business Analyst IV	1	Data Analyst III
4	Business Analysts III	1	Data Analyst II
1	Business Analyst II	1	IT Technician III
1	Programmer Analyst IV	2	Engineering Technicians II
1	Programmer Analyst III	1	Training Specialist III
1	Programmer Analyst II	1	Management Analyst I
1	Network/Telecom. Analyst III	1	Administrative Assistant II
Code Academy			
1	Program and Procedures Coord.	2	Training Specialists III
Site Review and Inspections			
1	Division Director, LDS	4	Engineering Inspector Technical Specialists
5	Engineers V	22	Senior Eng. Inspectors
7	Engineers IV	1	Urban Forester IV
7	Senior Engineers III	3	Urban Foresters III
15	Engineers III	5	Urban Foresters II
1	Code Specialist IV	3	Urban Foresters I
4	Code Specialists III	1	Administrative Assistant IV
1	Code Specialist II	1	Administrative Assistant III
3	Supervising Eng. Inspectors	1	Administrative Assistant II
Building Review and Inspections			
1	Division Director, LDS	1	Code Specialist IV
1	Chief Building Inspector	4	Code Specialists III
2	Engineers V	11	Code Specialists II
7	Engineers IV	2	Code Specialists I
4	Sr. Engineers III	7	Supervising Combination Inspectors
17	Engineers III	15	Master Combination Inspectors
4	Engineering Technicians III	25	Combination Inspectors
4	Engineering Technicians II	1	Administrative Assistant III
2	Engineering Aides	1	Administrative Assistant II
Customer and Technical Support Center			
1	Division Director, LDS	1	Management Analyst I
1	Project Coordinator	1	Combination Inspector
1	Planner IV	21	Engineering Technicians III
1	Code Specialist IV	17	Engineering Technicians II
4	Code Specialists III	5	Engineering Technicians I
8	Code Specialists II	4	Engineering Aides
1	Management Analyst II	5	Administrative Assistants III

Fund 40200: Land Development Services

Operations			
1	Division Director, LDS/SW Compliance	1	Geog. Info. Spatial Analyst III
1	Director LDS Review/Compliance	1	Safety Analyst II
1	Project Coordinator	2	Planners IV
1	Management Analyst IV	1	Engineer IV
1	Management Analyst III	1	Cons/Mngt Project Manager II
3	Management Analysts II	1	Administrative Assistant IV
1	Management Analyst I	1	Administrative Assistant III
1	Information Officer III		

Performance Measurement Results by Community Outcome Area

Economic Opportunity

In FY 2023, the percentage of projects in irresolvable default which must be completed by the County remained at 0 percent. LDS continues to refine processes and remains 100 percent electronic for all permits and most building inspections.

Safety and Security

In FY 2023, the percentage of buildings experiencing catastrophic system failure as a result of building design remained at the goal of 0 percent. The number of construction projects required to cease as a result of deficiencies identifiable on the plan decreased from 3 projects to 0 projects in FY 2023.

Community Outcome Area	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Economic Opportunity						
Promoting Economic Vibrancy in All Parts of Fairfax County						
Percent of projects in irresolvable default which must be completed by the County	0%	0%	0%	0%	0%	0%
Safety and Security						
Reliable and Secure Critical Infrastructure						
Percent of buildings experiencing catastrophic system failures as a result of building design	0%	0%	0%	0%	0%	0%
Construction projects required to cease as a result of deficiencies identifiable on the plan	0	3	0	0	0	0

A complete list of performance measures can be viewed at <https://www.fairfaxcounty.gov/budget/fy-2025-advertised-performance-measures-pm>

Fund 40200: Land Development Services

FUND STATEMENT

Category	FY 2023 Actual	FY 2024 Adopted Budget Plan	FY 2024 Revised Budget Plan	FY 2025 Advertised Budget Plan
Beginning Balance	\$0	\$8,518,113	\$9,257,241	\$9,643,747
Revenue:				
Permits, Fees and Regulatory Licenses	\$46,724,829	\$48,595,218	\$48,595,218	\$52,237,487
Charges for Services	6,644	20,000	20,000	20,000
Fines & Forfeitures	171,233	70,000	170,000	170,000
Revenue from the Use of Money & Property	223,832	0	220,000	350,000
Technology Surcharge Fee ¹	2,006,037	1,500,000	2,000,000	5,808,990
Miscellaneous Revenue	3,328	11,000	11,000	11,000
Total Revenue	\$49,135,903	\$50,196,218	\$51,016,218	\$58,597,477
Transfers In:				
General Fund (10001)	\$898,000	\$0	\$0	\$0
Information Technology Projects (10040) ¹	5,334,554	0	0	0
Stormwater Services (40100)	208,796	0	0	0
Total Transfers In	\$6,441,350	\$0	\$0	\$0
Total Available	\$55,577,253	\$58,714,331	\$60,273,459	\$68,241,224
Expenditures:				
Personnel Services	\$38,955,894	\$43,385,155	\$43,385,155	\$47,422,661
Operating Expenses	7,600,324	6,227,035	7,605,557	8,718,601
Capital Outlay	124,855	0	0	0
Recovered Costs	(711,061)	(428,283)	(711,000)	(894,400)
Total Expenditures	\$45,970,012	\$49,183,907	\$50,279,712	\$55,246,862
Transfers Out:				
General Fund (10001) ²	\$350,000	\$350,000	\$350,000	\$433,852
Total Transfers Out	\$350,000	\$350,000	\$350,000	\$433,852
Total Disbursements	\$46,320,012	\$49,533,907	\$50,629,712	\$55,680,714
Ending Balance³	\$9,257,241	\$9,180,424	\$9,643,747	\$12,560,510
Technology Surcharge Reserve ¹	\$7,340,591	\$8,334,554	\$9,340,591	\$11,664,187
Unreserved Ending Balance	\$1,916,650	\$845,870	\$303,156	\$896,323

¹ Revenue from the Technology Surcharge fee is utilized to cover expenditures associated with PLUS IT staff, other essential technical staff resources, and PLUS licenses. In addition, a portion of the revenue is set aside for future upgrades/replacement of the PLUS system. This revenue was previously deposited in Project IT-000037 in Fund 10040, Information Technology Projects. The balance of the project was transferred to Fund 40200, Land Development Services, as part of the FY 2022 Carryover Review. In FY 2025, LDS has proposed to increase the Technology Surcharge fee from 4 percent to 10 percent.

² In FY 2025, funding of \$433,852 is transferred to the General Fund to partially offset central support services provided to Fund 40200 by the General Fund. These indirect costs include support services such as Human Resources, Purchasing, Budgeting and other administrative services.

³ Ending Balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions and expenditure requirements.