



**BALTIMORE CITY COUNCIL
ECONOMIC AND COMMUNITY DEVELOPMENT
COMMITTEE**

Mission Statement

On behalf of the Citizens of Baltimore City, the Committee on Economic and Community Development (ECD) is responsible for supporting strong thriving communities. ECD will review proposed zoning and land use changes, tackle issues related to economic development, oversee housing policy, and promote equitable economic opportunity for all Baltimore residents.

The Honorable Sharon Green Middleton

PUBLIC HEARING

November 28, 2023

2:40 PM

CLARENCE "DU" BURNS COUNCIL CHAMBERS

22-0140R

Informational Hearing - Permit Reforms

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BILL SYNOPSIS

Committee: Economic and Community Development

Bill: 22-0140R

Informational Hearing - Permit Reforms

Sponsor: Councilmember Ramos

Introduced: October 3, 2023

Purpose:

For the purpose of inviting representatives from the Department of Housing and Community Development, the Office of the City Administrator, the Baltimore City Fire Department, Office of the Fire Marshal, and other relevant parties to provide information on reforms to the Department of Housing and Community Development’s permit process.

Effective: The date it is enacted

Agency Reports

| | |
|--------------------------------------|----------------------------------|
| City Solicitor | Approve for form and sufficiency |
| Dept Housing & Community Development | No Objection |
| BCFD | No Objection |
| City Administrator | No Objection |

Analysis

Background

The Department of Housing and Community Development (DHCD) is responsible for enforcing the Baltimore City Building Code and state laws pertaining to construction and occupancy. In addition to issuing building permits, DHCD also provides inspections for construction, alteration, electrical, mechanical and plumbing work in both commercial and residential structures.

Similar to other jurisdictions, applications for construction and occupancy permits are handled by a One Stop Permit Shop. DHCD's One Stop Permit Shop provides online and in-person services.

Council Resolution 22-0140R invites representatives from City agencies to brief the committee regarding the City's permit process specifically focusing on the following:

1. One-Stop Shop Permit Center
 - a. Standardization, coordination, and communication of information.
 - b. Timely processing.
 - c. Approval of plans.
 - d. Scheduling inspections.
 - e. Treatment of inspectors.
2. Work completed without permits.
3. Public challenges.
4. Reforms

In their report, the Department of Housing and Community Development (DHCD) has noted the following:

- The One Stop Shop was reopened on 08/16/2021 and all forms are now filed and processed online.
- There are gaps in the system that impair effectiveness including:
 - Voids in Account User Management.
 - Intermittent loss of critical tools such as the messaging tools.
 - Difficulty navigating and finding information on the portal.
 - Delayed or lack of response from agency stakeholders.

DHCD has committed to improving the permitting process and the system that those seeking permits in the City will be using. To that end, DHCD has:

- Completed a survey of users with over 900 responses.
- Completed stakeholder focus group sessions.

DHCD is looking into new software (expected launch in Feb 2024), as well as other systemic changes like a centralized call center to help in the permitting process.

Additional Information

Fiscal Note: Not Available

Information Source(s): Reporting Agencies, Bill 22-0140R.

Analysis by: Anthony Leva

Direct Inquiries to: 410-396-1091

Analysis Date: November 21, 2023

**CITY OF BALTIMORE
COUNCIL BILL 22-0140R
(First Reader)**

Introduced by: Councilmembers Ramos, Middleton, Bullock, Porter, Cohen, Dorsey

Introduced and read first time: October 3, 2022

Assigned to: Economic and Community Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Housing and Community Development, Baltimore City Fire Department, City Administrator

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Informational Hearing - Permit Reforms**

3 FOR the purpose of inviting representatives from the Department of Housing and Community
4 Development, the Office of the City Administrator, the Baltimore City Fire Department,
5 Office of the Fire Marshal, and other relevant parties to provide information on reforms to the
6 Department of Housing and Community Development’s permit process.

7 One of the factors that will successfully lead Baltimore City toward its goal of removing
8 vacant and abandoned properties is an efficient and effective permit process to review
9 applications, conduct inspections, and issue permits in a timely manner for homeowners,
10 community development organizations, and developers. In the interest of expanding our Main
11 Street business corridors, the City needs a permit process that can meet challenging demands.

12 Contractors, homeowners, and small businesses across the City have reported difficulties
13 working with the Department of Housing and Community Development’s “One-Stop Shop
14 Permit Center” (the “Center”) including timely processing, approval of plans, scheduling
15 inspections, and treatment by inspectors, among additional complaints. Businesses along our
16 Main Street corridors also report difficulty navigating the permit process, citing instances where
17 they are told one thing by the Center and something different by the Fire Marshal or other
18 entities. Finally, there have also been examples of building plans being approved by the Center
19 and then inspections failing because the plans should not have been approved initially.

20 In addition, there has been a sharp increase in work completed without permits. When
21 contractors avoid the permits process they may end up doing substandard work in our
22 communities and put residents in danger. Certain contractors even refuse to do business in the
23 City, which leaves residents and businesses with fewer options to complete work

24 These instances offer just a few examples of issues encountered with the Center and City
25 permit process overall. While there is an intention to reform the Center, this hearing is necessary
26 to give the public an opportunity to outline the challenges they have faced in navigating the
27 permit process, as well as to allow the Department of Housing and Community Development to
28 detail the reforms they will commit to in order to improve the Center.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

Council Bill 22-0140R

1 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE**, That the
2 Baltimore City Council invites representatives from the Department of Housing and Community
3 Development, the Office of the City Administrator, the Baltimore City Fire Department, Office
4 of the Fire Marshal, and other relevant parties to provide information on reforms to the
5 Department of Housing and Community Development’s permit process

6 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Commissioner
7 of the Department of Housing and Community Development, the City Administrator, the Chief
8 of the Baltimore City Fire Department, and the Mayor’s Legislative Liaison to the City Council.

**ECONOMIC AND COMMUNITY
DEVELOPMENT COMMITTEE**

**22-0140R
AGENCY REPORTS**

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
JAMES L. SHEA, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

October 26, 2022

The Honorable President and Members
of the Baltimore City Council
Attn: Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 22-0140R – Informational Hearing – Permit Reforms

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 22-0140R for form and legal sufficiency. The bill is for the purpose of inviting representatives from the Department of Housing and Community Development (“DHCD”), the Office of the City Administrator, the Baltimore City Fire Department, Office of the Fire Marshal, and other relevant parties to provide information on reforms to DHCD’s permit process.

The City Council has an inherent power to investigate “in furtherance of its legislative function.” 4 McQuillin Mun. Corp. § 13:7. A resolution is an appropriate way for the City Council of Baltimore to conduct an informational hearing. *See, e.g., Inlet Assocs. v. Assateague House Condominium*, 313 Md. 413, 428 (1988). Therefore, the Law Department approves this resolution for form and legal sufficiency.

Sincerely,

Jeffrey Hochstetler
Chief Solicitor

cc: James L. Shea, City Solicitor
Nina Themelis, Mayor’s Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Hilary Ruley, Chief Solicitor
Ashlea Brown, Chief Solicitor
D’Ereka Bolden, Assistant Solicitor
Michelle Toth, Special Solicitor

| | | | | |
|----------------------------|-----------------------|--|---|---|
| F R O M | Name & Title | Dante P. Stewart, Acting Fire Chief <i>DS</i> | CITY OF BALTIMORE MEMO |  |
| | Agency Name & Address | Baltimore City Fire Department 401 E. Fayette Street, Mezzanine | | |
| | Subject | City Council Bill #22-0140R – Permit Reforms | | |

TO: The Honorable Nick J. Mosby, President
 And All Members of the Baltimore City Council
 City Hall, Room 408

DATE: February 23, 2023

The proposed resolution calls on the Baltimore City Fire Department (BCFD or the Department), along with other agencies to appear before the Council to provide information on reforms to the Department of Housing and Community Development’s permit process.

The Baltimore City Fire Department has no objection and looks forward to a productive discussion on CC 22-0140R.

DS/kw

CITY OF BALTIMORE

BRANDON M. SCOTT, Mayor



OFFICE OF THE CITY ADMINISTRATOR

Faith P. Leach
Acting City Administrator
100 N. Holliday Street
Baltimore, Maryland 21202
410 – 396 - 3835

Date: March 6, 2023

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Acting City Administrator Faith P. Leach *FPL*

Subject: CAO Report | City Council Resolution 22-0140R –
Informational Hearing – Permits Reform

The Honorable President and
Members of the City Council
City Hall, Room 400

March 6, 2023

Position: Favorable

The Office of the City Administrator is pleased to support City Council Resolution 22-0140R, “Informational Hearing – Permit Reforms.” The City Administrator defers to the agency report provided by the Department of Housing and Community Development (DHCD), the agency most directly impacted by this resolution.

The established resolution is set for the purpose of inviting representatives from the Department of Housing and Community Development, the Office of the City Administrator, the Baltimore City Fire Department, Office of the Fire Marshal, and other relevant parties to provide information on reforms to the Department of Housing and Community Development’s permitting process.

Efficient permitting processes are a key driver of economic growth and, when deployed strategically, contribute to quickening the pace of community revitalization efforts in disinvested neighborhoods across Baltimore. As such, the Chief Administrative Officer supports the comprehensive permitting reforms outlined in the Department of Housing and Community Development’s agency report.

To ensure full implementation of a city-wide comprehensive permitting reform package, the Office of the City Administrator will facilitate inter-agency collaboration across the City enterprise to conduct a full examination and initiate modernization and system enhancements.

The Office of the City Administrator has **no objection** to City Council Resolution 22-0140R and views the Department of Housing and Community Development’s agency report and other supporting City agency reports favorably.



MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Housing Commissioner

Date: March 7, 2023

Re: City Council Resolution 22-0140R Informational Hearing - Permit Reforms

The Department of Housing and Community Development (DHCD) has reviewed City Council Resolution 22-0140R for the purpose of inviting representatives from the Department of Housing and Community Development, the Office of the City Administrator, the Baltimore City Fire Department, Office of the Fire Marshal, and other relevant parties to provide information on reforms to the Department of Housing and Community Development's permit process.

The Department of Housing and Community Development is pleased to participate in an Informational Hearing to discuss the current permit process and to provide information on plans underway for improvement.

Background

DHCD currently employs 18 staff members that work on permits and plans review. They processed over 40,000 permits in calendar year 2022. They work diligently across agencies to get through reviews in a timely manner. The length between application and final approval depends greatly on the nature of the permit and the scope of work. There are several steps in the permitting process including application review, processing, approval, payment and inspections.

The permitting software that we are currently using is about 15 years old and resembles a "hub and spoke model," whereby, DHCD serves as the center hub and routinely makes referrals to 6 agencies that are the spokes - DOP, DOT, DPW, Fire, BMZA and Health. DHCD works collaboratively with applicants and these partner agencies to ensure permits receive the appropriate Zoning, Site Plan and Preliminary Code Review, prior to the issuance of a permit. Some challenges identified by internal stakeholders are that the current software is outdated, complex and inadequate for timely communication between agencies.

For many applicants, depending on the nature of the permit, the processing duration can be same day or between 24 and 48 Hours. However, more complex permits can take much longer and are subject to a variety of factors that often fall outside of DHCD's control - such as subsequent partner agency review. Additionally, many applications are delayed because applicants have failed to provide the correct or required information or have difficulties navigating the online permits system.

It is important to note that during the COVID pandemic DHCD successfully transitioned to an online system for all its permits, 100% of applications are filed and processed online. Our “One-Stop Shop Permit Center” reopened on August 16, 2021 and some customers still prefer to come in person and work with our office service staff.

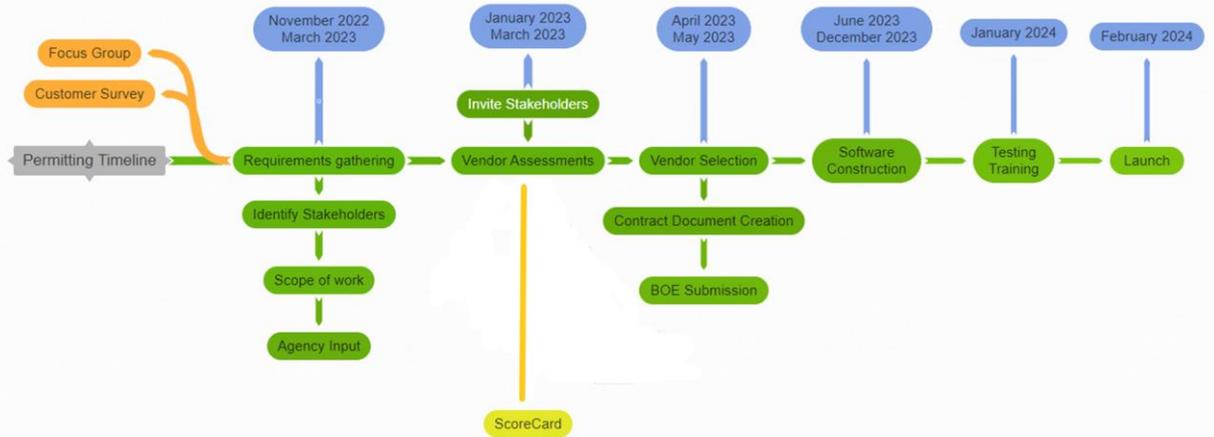
DHCD acknowledges that there are challenges that are hindering the effective processing of permits in person and online. The current system has functionality issues with voids in account user management and intermittent loss of critical tools such as message tools which create issues or errors. Customers complain about difficulties navigating and finding information on the application portal, which limits online applications for permits. Some users encounter delayed or lack of response to inquiries from agency stakeholders, including timely processing, approval of plans and scheduling inspections.

Conclusion

DHCD is committed to improving the permitting process and creating a system that will provide user-friendly workflow with ease of access for homeowners, community development organizations, developers and all those seeking permits in the City of Baltimore. Engagement with users of the system is integral to this work, and creating a new system that provides equitable access and ease of use. DHCD is committed to improving the permitting process by engaging the public to survey current permitting barriers and including the public in testing as a new system is built to ensure the system is easy to use. DHCD has completed our first survey that was sent to over 20,000 users, and we received over 900 responses, and we are currently analyzing those responses. DHCD also completed the first of many stakeholder focus group sessions and will continue to engage stakeholders and the public as we advance this work. In addition to new software, DHCD is exploring systems changes such as creation of a centralized call center to manage phone traffic. Our overarching goal is to ensure a system that will provide equitable, user-friendly workflow with ease of accessibility. A cloud based permitting software system will enable better collaboration among multiple agencies, expedite approvals and improve customer satisfaction.

Over the last 9 months DHCD has begun to explore what would be required of a new permitting software system with agency partners that manage permits based on workflow review to better understand user experience for both customers and staff. This process is estimated to extend another 12 months and is aided by the Mayor’s \$3,000,000 commitment of ARPA funds. The process also includes updating the existing integrated code enforcement system (CHIP), and newly integrating with the Board of Municipal Zoning and Appeals (BMZA).

The graphic below provides information on timeline for this process, and we are currently on track to complete vendor selection in Spring 2023.



This process will also include, and result in, a completely new customer service training academy for all agencies that review permits. As well as new training programs and modules for public users of the system. We are also finalizing the creation of a Permit Liaison position to assist small developers, minority developers, non-profit developers, in navigating permit process to rehabilitate vacant properties and the creation of additional education and training videos, and sessions on DHCD's permitting system and general information on the individual property rehab process.

DHCD has **no objection** to City Council Resolution 22-0140R.

AK/sm

cc: Ms. Themelis, Nina, *Mayor's Office of Government Relations*



Brandon M. Scott
Mayor

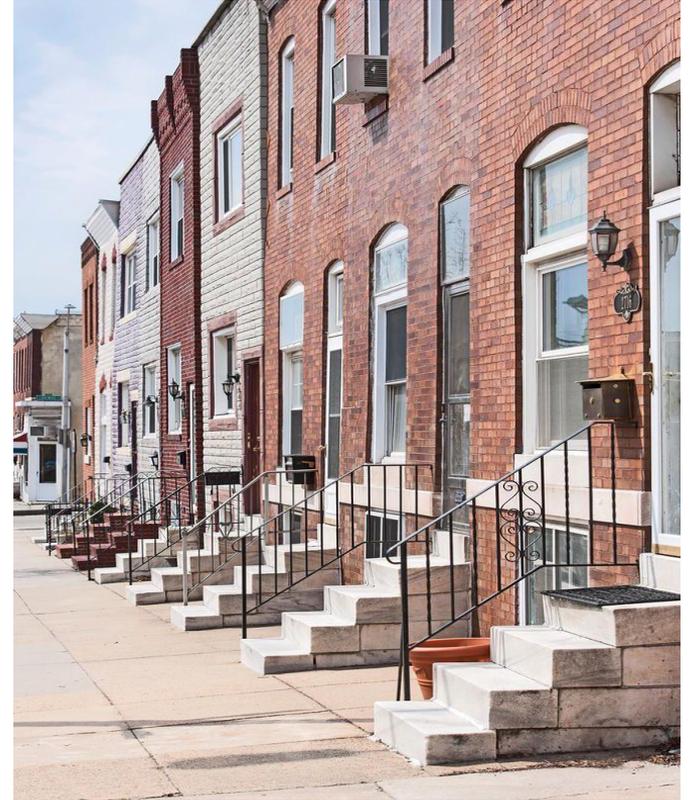
ePermits/ePlans OVERHAUL Process



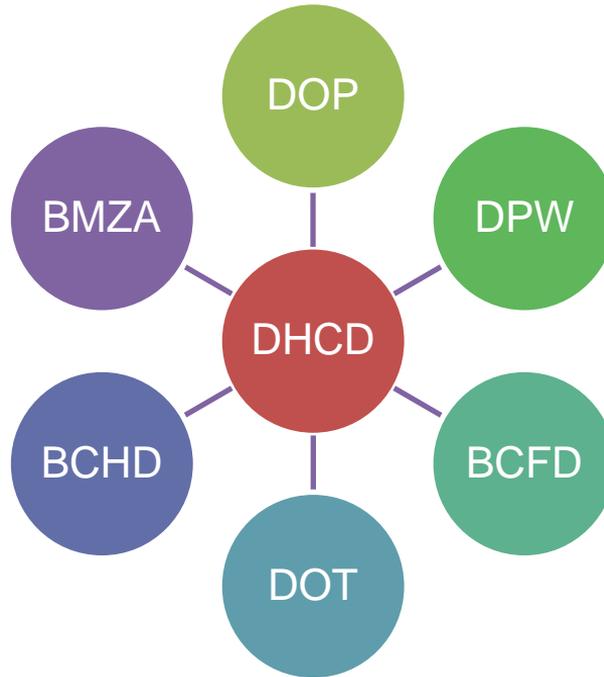
ePERMITS OVERVIEW

Permitting Services (*Inspections, zoning, construction, alteration, electrical, mechanical and plumbing work*) supports the housing economic engine of our city by ensuring that work is done in compliance with the city building code as well as state laws and construction/occupancy standards. The ePermits and ePlans system is the drive through which these services are performed.

In 2022, DHCD processed a total of 40,931 permits.



CURRENT HUB & SPOKE MODEL



IMPROVEMENT FINDINGS

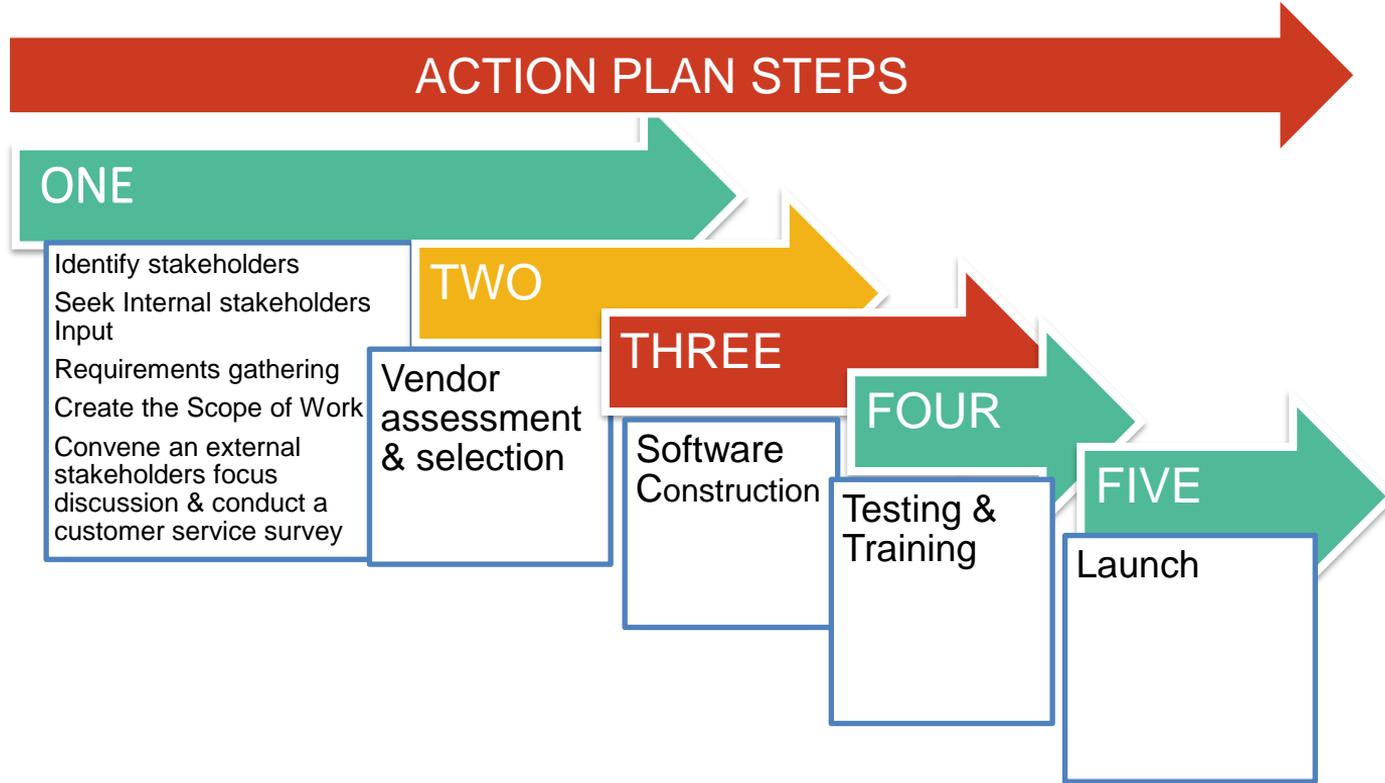
Current system is about fifteen years old and requires constant updates to meet demands. Some challenges identified by both internal and external stakeholders are mainly that the current system is:

- Complex
- Fragmented
- Time-consuming &
- Inadequate for communication between agencies.

OVERHAUL GOALS/RECOMMENDATIONS

- Replace the existing system with an up-to-date software that works for *EVERYBODY*.
- Digitize the current processes to make it faster, simpler and easier for applicants, reviewers and approvers.
- Automate Workflows: Coordinate approvals and reviews between agencies. Create a digital archive of all epermits transactions.
- Create transparency: A cloud-based platform that will be available on any computer or device at any time, from any location.
- Provide Inspectors ability to enter case data in the field.
- Automate the processes of scheduling and rescheduling Inspections.
- Replace the CHIP system that manages all housing inspections, citations and 311 generated work orders.
- Improve Customer Experience.

PROJECT WORKFLOW PLAN





BALTIMORE CITY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

QUESTIONS