

CITY OF SANTA PAULA
DEVELOPMENT REVIEW ANALYSIS

September 2005

September 27, 2005

Mr. Wally Bobkiewicz
City Manager
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Dear Mr. Bobkiewicz:

Management Partners is pleased to present this final report for the Development Review Analysis performed by our firm.

Customers seek a clear, consistent and predictable process, while City Council and City employees seek one that is also fair to the general public. In summary, City management should view the phases of development review as parts of a single unified process rather than stand alone processes on their own. The development review process can be improved by ensuring that employees recognize their role in "the big picture." City management must establish specific performance goals and measure staff performance in meeting them. The City must invest the time necessary to review existing policies and procedures related to development in order to improve productivity. Most significantly, the City must invest in the process by providing centralized land management software for use by all involved departments and by also providing competitive salaries and benefits to recruit and retain qualified technical staff.

Thank you for your support of this project and to the staff members who provided their time, insight and expertise for this report. They were accommodating and responsive. We look forward to assisting the City in implementing these recommendations.

Sincerely,

John Baker
Senior Partner

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EXECUTIVE SUMMARY

As a result of concerns for the City's future financial stability, City leaders in recent years have begun an aggressive and successful campaign for growth and development, both for the City's downtown commercial corridors as well as for residential homes. Data clearly shows that development review workload for City staff has increased both in quantity and in complexity. Customers and staff complain about the current process.

In order to improve the City's development processes, managers should view the phases of development review as parts of a single unified process rather than stand alone processes by department. The development review process can be improved by ensuring that employees recognize their role in "the big picture." City management must establish specific performance goals and measure staff performance in meeting them. The City Manager and City Council, along with department heads, should invest time in a thorough review of all existing policies and procedures with regard to development and, once blessed, should let employees perform their reviews based upon them. The City should make efforts to improve upfront communication to customers including greater access to explanatory materials and the creation of detailed review checklists outlining for both employees and customers precisely what will be reviewed. Turnaround times should be tracked and evaluated on a regular basis. The deposit fee structure should be abandoned in favor of a flat rate system.

While some items can be quickly remedied in a few months, other items (such as adding staff and getting new technology) will require longer timeframes. Since many of the issues require technical input from an already busy staff, outside assistance may be necessary to move these changes forward while making the best use of staff resources.

The City is in a position of strength to move forward. The City has a collection of energetic employees who have expressed an earnest willingness to address issues and make changes. With careful, planned and methodical implementation of the recommendations included here, the City of Santa Paula can greatly improve customer service, reduce process times, and improve the work environment for its employees, all without sacrificing the quality of new projects in the community.

INTRODUCTION

The City of Santa Paula, nestled in the Santa Clara River Valley north of Los Angeles and east of Ventura, has a population of roughly 29,000 with a 72% Hispanic majority. The City's history is an agricultural one and Santa Paula prides itself in being "The Citrus Capital of the World." The City, however, is experiencing demands for some change in its character while maintaining strong ties to its rich past.

One of the most sensitive areas of municipal operations is the organization and process for developing or improving the uses of land. Every municipality is under constant scrutiny to properly treat customers of development-related municipal services. The City of Santa Paula is in the process of evolving from a laid-back agricultural town to a thriving city with large-scale developments.

In keeping with stated City Council goals for FY2005-06 to "enhance customer focus and business friendliness of City government," the City Manager retained Management Partners in June 2005 to conduct an evaluation of its current development review, building permit, and related processes. One of the City Council's specific goals for this fiscal year includes the "review of current development processes and customer services" and "development and implement changes as required."

In general, the planning and building permit processes work well though there are improvements that can be made. The City must invest in technology to improve staff efficiency and effectiveness and must reduce staff turnover by adjusting its compensation plan. An increase in educational outreach to customers, particularly the smaller "mom and pops," would also be of great benefit. Greater internal communication, achieved through retreats and meetings, would improve teamwork and an understanding of the "big picture" by staff.

The remainder of this report presents the approach used by Management Partners in conducting this study, the specific conclusions drawn from the analysis of a variety of development related issues, and 33 specific recommendations for improvement.

PROJECT APPROACH

In June 2005, the City of Santa Paula retained Management Partners to perform a neutral, third-party analysis of the City's development review functions including the Planning, Building and Safety, Economic Development, Fire and Public Works Departments. The City Manager's stated goal was to improve customer service in the development area.

In June, Management Partners began this project by holding personal interviews with the City Manager and with department heads and key employees in the affected City departments. These interviews provided the opportunity to gather general information on the City's development review and building permit processes, identify perceived problem areas, and gain insight into organizational dynamics.

In order to gauge perceptions regarding the City's processes, Management Partners also interviewed several customers or users of the process including architects, construction managers, engineers, new business owners, and others. These interviews were conducted individually and in one small focus group session. Participants were asked to express what they felt were strengths and weaknesses of the current system and then to suggest solutions or improvements.

Management Partners also prepared flowcharts or "process maps" of the planning/entitlement application review process and of the building permit process, as we currently understand it. These maps are helpful in examining process flow and identifying any bottlenecks that might exist.

During the course of this review, Management Partners collected numerous documents from City staff that relate to the development review and building permit processes. These items were reviewed and, when appropriate, analyzed to provide further insight.

Each step of the project approach served as a means of validating and cross checking the information developed in other phases of the work to ultimately provide the City with insight regarding current operations and recommendations for improving service to the customer.

ANALYSIS AND RECOMMENDATIONS

In undertaking this review, it became obvious that the City of Santa Paula is a unique environment in which to work and do business. Santa Paula retains and prides itself on its small city culture and agricultural roots while at the same time rapidly growing and working to diversify its tax base. In that regard, the City has implemented an aggressive program of economic development and business attraction. While the number of complex, large-scale development projects has increased in recent years, the majority of permits continues to be for the smaller “mom and pop” improvements to existing structures.

The very nature of a study of organization and process is to look for ways of improving the services under review. As such, the positive aspects of the service delivery and those employed in providing that service are considered to be givens. As the findings and recommendations for the City’s development review process are reviewed herein, it is important to note that there is a dedicated and loyal group of employees working in the City who, on a daily basis, attempt to provide good service to the user public. In many cases they are the victims of organizational decisions, past practices, and regulations promulgated by others that impact the method in which they undertake their work. Also, the very nature of regulatory functions can be expected to create tensions and frictions between the service provider and the customer. The challenge to the public agency is to create an atmosphere whereby the agency works with the customer in accomplishing his/her goal within the regulatory requirements.

The development review analysis with recommendations for improvement has been organized into five sections: Management Issues, Process Issues, Customer Service Issues, Staffing/Personnel Issues, Technology Issues, and Physical Workspace Issues.

Management Issues

The most basic need for development review operations is a requirement of clarity, organization and accountability in the structure and the employees tasked to complete the work. The key is to establish a framework of policies and requirements within which employees can function effectively and efficiently, and then to measure their performance in doing so. Turnover in many positions within key departments has resulted in a lack of consistency in Santa Paula’s development review

process. In addition, management of the development review process has been fragmented across multiple departments with no single person accountable for all facets of the process including the planning and entitlement, engineering review, and building permit phases. Policies and procedures are not always clear, resulting in the need for employees and customers to “guess” what City Council and/or senior management wants.

Recommendation 1: Develop a statement of overall goals and objectives for development review functions citywide with a specific emphasis on continually enhancing customer service. The City Manager must make a clear statement to department heads and employees that customer service is important and that *providing good customer service can be achieved without compromising the quality of review or relaxing the City’s requirements.* For development review in particular, the role of employees should be to help the customer comply with Santa Paula’s regulations, to problem-solve for the customer, to show how the project can be done legally but not to act as a roadblock to development. Employees should receive frequent reinforcement of the basic concept that the City Council sets policy and that it is staff’s job to allow, and in fact encourage, development to occur within the rules set by the Council.

Internal and external interviews and process mapping all clearly indicate that there are some deficiencies regarding inter- and intra-departmental communication. In most of the departments and divisions, employees tend to view themselves as stand alone operations rather than unified as part of a larger, multi-department process. There is limited inter-departmental coordination or tracking of projects through all phases of the City’s process, and no centralized oversight of all components of the process. While the City Manager has established a “Development Cabinet” of senior management to discuss projects, the primary focus of these meetings, according to staff, has been on the prioritization of projects into A, B, or C categories rather than on process troubleshooting. Line employees doing the processing work remain out of the loop and uninvolved in these meetings. There is not a single individual in charge of all components of the development review process, and there are difficulties resolving internal issues across departmental borders.

Recommendation 2: Implement a system of project management to ensure internal tracking of projects from submission of the first application (usually Planning) until construction is complete and the Building Permit is finalized. The City should require Planning staff to serve as project managers to ensure projects move forward through the system in a timely manner. This does not require a great deal of staff time but would consist of keeping track of project status as projects

leave Planning and move into the Building and Safety arena. Once the software system recommended below in this report is implemented, such tracking should entail very little time on the part of Planning staff.

During the interviews it was apparent that staff members do not always feel supported by upper management and, in fact, often feel undermined. While they recognize the City's fiscal position and the need to "cut deals" in order to encourage growth and development, they feel they are unable to provide accurate information to customers when the ground rules are always changing. They cite examples when a customer has been told "no" by them in accordance with City regulations, only to have upper management give conflicting opinions and demand action accordingly. They point out that policymakers rarely, if ever, visit their work areas and understand their job duties and yet feel comfortable taking the public's word over theirs. Employees feel "at sea" with regards to the City's requirements and express concern that customers are not treated equally but that the "squeaky wheel" who invokes City Manager or City Council involvement tends to come out ahead. In their mind, the message being relayed to the customer is that City Management has limited faith in staff. They are also extremely concerned that the City is in such a rush to be "flexible" for development that the resulting growth will not be of high quality and that the City will pay for its haste in subsequent years.

Recommendation 3: City policymakers and management should set policy and then support and empower staff in doing their jobs. If the City sets clear policies for staff, staff should have the ability to perform and should be held accountable for complying with the given policies. If policies are adequately set, there should be no reason for constant managerial and policymaker involvement in development issues. It is unrealistic and unfair to presume that development staff can function effectively if the rules are constantly changing. Staff should not be placed in the position of potentially being asked to set dangerous legal precedents for the City and/or not complying with the professional and technical expertise of their chosen professions. With firm policies that are clearly delineated for employees, arbitrariness in implementation (a big complaint of many customers) can be dramatically limited. The policies must, of course, conform to the planning and building codes adopted by the City.

With that said, all policies are not "black and white." Where it is possible to be flexible while complying with current policy, staff should be willing to flex to accommodate the customer's needs. When precedents are set in the way policy is defined, this should be documented so that staff can reference such decisions into the future. The difference between flexing within an existing policy and a change of policy should be made explicit to staff.

It is apparent from internal and external interviews that employee authority and accountability is lacking. Employees are given or have assumed the ability to make decisions regarding project reviews but are then not held accountable for activities that can result in substantial negative financial impacts and time delays to the customer. There is no formal accountability or performance standard for departments to interact with other departments in a timely manner, nor were we made aware of specific measures of performance required of department heads as relates directly to the City's development review and building permit processes.

Recommendation 4: Set specific performance requirements for department heads and employees and hold them accountable. Both organizational goals and process goals should be included in the review of expectations of performance. If goals are not being realized, it is incumbent upon management to take corrective action that will result in the desired performance — both programmatically and individually. Once clear standards for review turnaround time, quality and other concerns have been established, they should be measured. If a division is not responding within the agreed upon timeframe, this matter can be taken up with that department head and, if necessary, the City Manager.

While a comprehensive review of fees is outside the scope of this report, there are opportunities to raise revenues to offset the implementation of some of the recommendations in this report. It should go without saying that development review should be 100% funded through fees and charges. Santa Paula should ensure that it achieves full cost recovery for this work. Planning, Building and Safety, and Development Impact Fees are apparently updated regularly and in good shape. Fees for the pre-application review process and for Fire review should be studied to ensure full cost recovery.

State law does allow municipalities to attach a surcharge to building permits to offset the costs of General Plan maintenance, technology, and recordkeeping. The City of Sacramento, for example, has a 4% Technology Fee on all building permits to pay for related technology. The City of Los Angeles has a 6% "Automated Systems and Development" surcharge on all building permits. If not already instituted in Santa Paula, this should be implemented.

Recommendation 5: Implement a General Plan, records management and technology surcharge on all development permit applications to fund improvements. Since the state of technology and records management in Santa Paula is in need of improvement, and since customer service could be greatly improved through technology, this is a reasonable charge.

Process/Technical Issues

It is apparent from employee and customer interviews that the planning/entitlement review process is the origin of the most egregious customer service complaints. Customers are extremely frustrated at the lack of certainty in the Planning review, asserting that staff change policy from project to project almost arbitrarily and that each time they interface with Planning staff there are new “surprise” changes, many of which cost them time and money.

Customers are frustrated by the uncertainty and inconsistency of the current process in Planning and, at times, in Building and Safety. We were told by some customers they had ceased to do projects in the City due to the level of inconsistency and frustration in dealing with City staff. While employees and customers agreed that the City had many policies and guidelines on the books, they felt those policies were either outdated or were not specific enough, leaving too much discretion to employees during the review process. (Design guidelines are one example.) Employee turnover further exacerbated customers receiving inconsistent answers. Knowing answers will differ from one staff member to the next has resulted, on occasion, in “shopping for approval” by an applicant who knows those inconsistencies of implementation. Customers suspect that the result is a process that is unfair with rules changing from customer to customer, sometimes due to customers getting policymakers and upper management involved on their behalf. The result is that the City Council and/or City Manager at times will overrule staff in favor of the customer, resulting in frustration by staff that they are not being supported by upper management, are undermined in their efforts to provide answers, and work with a great deal of uncertainty.

Many customers stated that they are not given clear, concise information upfront to explain City requirements and the reviewing process, particular for Planning applications. While City handouts and basic submission checklists are available and a good start, customers are not at any time provided with an explanation of the overall City review process (i.e., “the Big Picture”), but instead receive information regarding each division/department’s components as a stand alone process. Handouts are extremely technical and not put into “layman’s language” (and sometimes not in Spanish language), often quoting the Municipal Code or ordinances directly. This results in customers often not understanding, or missing, certain steps. While some very useful information on the development review process is available on the City’s website, it is not comprehensive. Customers expressed sympathy for other new customers who would have to learn the City’s processes through trial and error though they also stated that, given the lack of any consistent process or policy direction in the City, experience was not necessarily any assurance of an easier approval process. Given that a common employee complaint is the poor quality of submissions, the City should make every effort to ensure customers are well informed prior to applying and that information is easy to find.

Conversely, employees expressed considerable frustration with customers who they say do not understand the City's system and who continually submit poor quality work that requires repetitive reviews and additional staff time. They cite cultural gaps and a lack of understanding on the part of "mom and pops" as to the complexity of the regulations, particularly among the Spanish-speaking population. There is a perceived expectation that because Santa Paula is a "small city," you can design a home addition on a napkin and staff will rubberstamp it; customers do not understand the complexities involved with modern development processes and the need to often hire professionals. Employees believe that policymakers and upper management, in a quest to provide "customer service," mistakenly encourage this unrealistic expectation.

Recommendation 6: Prepare informational materials to educate the customer about permitting processes and requirements.

The City should create informational brochures from a global perspective (including all involved divisions/departments as part of one process) that clearly outline the process sequence to be followed, application requirements, and reviewing agencies involved. By clearly delineating application requirements to customers, staff should save time explaining project requirements and be in a better position to deny submissions that are incomplete (saving staff time and money). Promotional information should also be made available on the internet, to allow users convenient access at home or the office. The City should allow customers to download application forms and/or fill in worksheets from the internet to determine basic information about their projects (fees, turnaround times, reviewing agencies, etc.) and, eventually, to submit plans. This would also be of great benefit and convenience to users.

Recommendation 7: Implement an outreach and education program specifically targeting infrequent and smaller-scale customers (i.e., "mom and pops").

The City should focus upon the provision of information and educational material to mom and pop system users using all available methods including handouts, town meetings, cable television programs, the City's internet website, and press releases. Providing this information in a bilingual format that is understandable will be key to properly educating the user. Time spent on the creation of such programs and materials would be time well spent. Policymakers and upper management should publicly reinforce the need for complete applications and uphold staff's authority in rejecting incomplete ones.

Recommendation 8: Adopt a City policy allowing employees to reject incomplete applications, and make detailed application checklists readily available to all customers. Employees in the Planning Department in particular note that one of their greatest problems is that applications are submitted that are incomplete and missing information. This results in a great deal of wasted time collecting the information in order to continue the review. Once Recommendations 6 and 7 above are implemented and the City has made every possible effort to educate the customer, the City should adopt a formal policy, in writing, that states that employees may reject applications at the counter if they do not have everything listed on the detailed checklist. While doing so may at first appear punitive to the customer, in reality it will help speed processing by better using available staff time, something that will directly benefit customers overall. The adoption of this policy should be coordinated with a program of outreach and public relations, which explains the policy to the public. In implementing this policy, the City must ensure the right people are assigned to counter positions to provide quality determinations.

Another area of significant customer concern is the role and purpose of the Economic Development Department. New business owners are unaware of the Department, its role, and function and do not recognize it by name as an available resource. Customers complain that Economic Development and Planning can both be negative with regard to potential land uses; when customers have approached staff, instead of being encouraged on how to move forward, they felt they were discouraged. There is no direct linkage between Economic Development and Planning or Building and Safety at present; there is no formal referral system to send applicants to Economic Development (although this does happen informally). Some customers question Economic Development's vision, citing that there is a focus on immediate growth of low-paying commercial and retail enterprises rather than on high-wage commercial enterprises and industry. New business owners complain that their proposals are scrutinized at a much greater rate than existing business owners; they are required to adhere to regulations that are not enforced for existing business owners.

Given the current vacancy in the Economic Development Director position, there is an opportunity to address the organizational placement of this function. There appears to be overlap and a lack of clarity differentiating the roles of the City Manager, Economic Development Specialist, and the Fire Chief in his role as business ombudsman. The Economic Development Specialist notes that many customers do not want to talk to her due to the lack of clarity in the title "Economic Development Specialist" and prefer, instead, to talk to a Director-level position or to the City Manager himself. If the City Manager intends to delegate this authority, the title should reflect this. There are multiple

approaches to the placement of the Economic Development function in the City, with some staff members advocating full department status (the status quo), others advocating the placement of all of the current Economic Development within Planning, and others advocating a split of Economic Development and housing between Planning and Building and Safety. We feel the latter best addresses the current needs of the City.

Recommendation 9: Restructure to place the economic development function and specialist position within the Planning Department and place the City's housing programs under Building and Safety.

There is a natural linkage between economic development and planning, which is the first line of contact for many new businesses. The need to have strong coordination between the land use functions and the economic policies and practices of the City cannot be over-emphasized. Similarly, there is a natural linkage between the administration of housing programs, the housing rehab building inspector position, and the CDBG funding sources.

Recommendation 10: Hire an Assistant City Manager who has as a primary function of oversight of the City's development review processes.

Rather than replace the Economic Development Director, the City should recruit an Assistant City Manager who oversees the full range of business and development to provide the City with the necessary coordination of Council policies and land use regulations. The City Manager's role in directly negotiating development should be reduced to increase his availability for overall long-term planning and City management. An Assistant City Manager with previous development experience could provide a key function as the "go to" person in the City for larger commercial developments, as well as serving the role of "tie breaker" in resolving process issues between City departments.

The quality of Building and Safety Division plan checking was questioned by some customers during interviews. They note that while turnaround times are generally good, the comments can be redundant and ask for items already on the plans and/or the plan checkers miss key items altogether. One customer stated that "bad contractors could easily take advantage of the City." Again, the lack of senior technical staff due to turnover and staffing changes exacerbates this problem.

Recommendation 11: Create detailed review checklists for the planning and building departments and share them with customers at the front end of the review process.

Planners and Building Plan Checkers should prepare a list of all the items/things to be reviewed on every application (different from the physical items to be

turned in for a complete application). In this way customers will know upfront what the City will review and can provide better quality plans. All employees involved in the review process should comply with pre-determined standards of review to ensure consistency of review quality. Every planner and building plan checker should be looking for the same things on the same type of application; a comprehensive review checklist will ensure this occurs and will serve as a training tool for new review staff. If there are variables or questions about interpretation of a policy, the policy should be discussed with the City Council or management for a concrete answer. The more standardized the process is made to be, the greater degree to which managers can delegate authority and decision-making to lower-level employees. Customers will be better equipped to conform to a system of reliable and understandable requirements, and such a system will reduce the potential for errors of omission on the part of a staff reviewer who is “winging it” from memory and/or is at variance in interpretation with different reviewers.

In both Planning, and Building and Safety, the lack of skilled technical staff at the counter results in poor customer service. Clerical/support staff at times attempt to cover the counter and can provide incorrect information. The available technical staff do not have sufficient time to provide a high level of service; staff do not always have the technical expertise to screen incoming applications for completeness. The lack of technical expertise at the counter also results in Santa Paula processing fewer permits over-the-counter (on the spot) than other local jurisdictions. Instead, Santa Paula staff members take in everything for processing behind the counter, resulting in inefficient use of staff time later when applications are discovered to be incomplete. One of the biggest complaints from customers, and the source of considerable frustration, was the lack of thorough and technically correct information provided to them at the front counters.

Recommendation 12: Budget for and hire additional technical staff in Planning, and Building and Safety and ensure technical staff coverage at the counter at all times. Having the counters manned by technical staff will greatly improve customer service. Ideally there would be depth of coverage so that at least two technical staff can cover the counter at any time. There is potential to cross-train technical staff to cover both the Planning and Building and Safety counters.

Customers and even other City staff express considerable concern about the skill level and training of the current Planning staff. Customers note weaknesses in knowledge of CEQA and the Subdivision Map Act. They acknowledge this could partially be the result of the inexperience of some of the staff. Customers express frustration that Planning can be inflexible

and too much “by the book” to see the forest for the trees. Conversely, staff again expressed the frustration that the rules seem to change (they are standing on shifting sand) and that the public has unrealistic expectations regarding the ability to simply build whatever is wanted with little or no regulation.

The area of aesthetic and design review seems to be of particular concern to both staff and customers. Customers express frustration that projects are redesigned at Planning Commission and Council meetings (forcing them to expend considerable additional time and money). Staff note that while design guidelines exist, they require updating. There is currently no formal architectural review board in place in Santa Paula, although if specific design standards are prepared and approved by City Council, such an additional body would not be necessary.

Recommendation 13: Update the City’s design standards and have them approved by City Council.

The City should make updating of its design standards a priority in the next year, even if this means contracting out the work. Once a menu of standards are in place and approved by the City Council, staff can review projects to ensure compliance. If a project meets the City’s stated standards, no further re-design at public hearings should be permitted.

Throughout interviews and during process mapping it was noted that there are many “gray areas” in the Santa Paula development review process. Much of this is the result of changes over time, primarily due to staff turnover. Employees are unsure who specifically to give an application to in the next step, how to do it (e-mail or hard copy?), and what the turnaround time requirements are. Timelines for review are set without any understanding of the ability of other reviewing departments to meet them. Customers are sent by City staff to the wrong locations for service. These problems contribute to uncertainty on the part of employees that is sensed by customers. It also contributes to the ability for items to “fall through the cracks;” indeed, employees told of applications that were “lost” on someone’s desk for a while. This has an obvious impact upon customer service and can be easily remedied.

Recommendation 14: Implement quarterly development review staff retreats to reiterate process steps and clarify issue areas.

For one morning or afternoon every quarter the City should provide development review staff the opportunity to gather together in Council Chambers, walk through development review process concerns, clarify steps, and problem-solve. We cannot underscore how valuable such face-to-face communication can be in improving the overall process. One employee should be assigned to prepare an agenda and list of issue areas; all involved staff should be welcomed to suggest issues to be discussed. If desired, an

outside facilitator can open the lines of communication. The goal of these sessions is to identify “gray areas” in the process and to clarify them so they become black and white. All decisions and solutions should be documented in writing and all staff should be trained and given this documentation with the expectation that they will comply with the new process. Posting the minutes/decisions of such meetings on the City’s computer network would provide easy referral and reference, even long after the meetings.

Recommendation 15: Conduct regular staff meetings of the Planning, and Building and Safety Departments to discuss key projects. The Planning, and Building and Safety Directors need to make sure employees are working from the same page during the implementation of key projects. Public Works personnel (engineering and maintenance) should also participate in project reviews as appropriate to eliminate, to the extent possible, future problems regarding City maintenance activities. Taken in conjunction with Recommendation 2, better coordination of projects will result and problems will be identified in a proactive manner.

The City’s code enforcement program is housed in the Building and Safety Department. At present the program is entirely reactive; staff respond to complaints but do not proactively identify code violations. Building inspectors do “double duty” by taking on up to three hours a day of code violation inspections on top of their regular building inspection workload. They express considerable concern that policymakers imply they should have differing levels of inspection for different parts of the City and worry about potential personal liability issues surrounding “selective enforcement.”

According to the Senior Inspector, the backlog of code complaints has been growing and the City Council has been focusing more on this issue and seeking more of a proactive approach. Indeed, City Council Goal #1 for FY2005-06 includes Item 3, “Enhance Santa Paula Beautiful Program” including code enforcement, graffiti abatement, abandoned vehicle abatement and other code enforcement related issues- but there have been no additional resources provided for this. There have been discussions and plans made to specialize the building inspectors so that two perform only building inspections and two perform only code inspections. The Building Official is concerned about the “burn out” factor of specializing inspectors only in code enforcement and prefers some rotation of staff through these assignments.

Recommendation 16: In the short-term specialize the assignments of current building inspectors on a rotational basis. The plan to specialize current inspectors between building and code enforcement inspections should be implemented in the short-term. As staffing levels must be increased to meet building inspection demands, the City should hire code enforcement aides to perform code enforcement inspections and remove building inspectors from the code enforcement rotation. An aide classification, rather than a fully certified inspector position, can be accomplished at a reduced cost to the City. The majority of code violation inspections do not require a certified building inspector.

Recommendation 17: Given the age of its housing stock, Santa Paula should implement a program of infractions for code violations and an inspection upon sale program to reduce blight and improve code enforcement. The use of fines or “administrative citations” (tickets) for code violators (only assessed if they do not correct the violation within a certain time period) is authorized by state law (Government Code Section 53069.4). Jurisdictions who have implemented this approach have seen significant increases in compliance rates. Similarly, some jurisdictions have implemented inspection upon sale programs that mandate a City inspection of property for code violations prior to its sale through a real estate transaction. In this way all code violations are documented and must be addressed by either the buyer or seller. With such a program, the quality of the City’s housing stock would improve in a fairly short time period. The fees charged for the inspection should result in full cost recovery so that the program pays for itself.

During the course of this review we were not made aware of any formal customer surveys and/or regular outreach meetings by staff to the public on development issues.

Recommendation 18: Solicit customer feedback on a regular basis and use the resulting information to improve service. The City should institute an annual random mail survey to past customers of the development process, inquiring about their experiences, and then use this information to make positive changes. If customers know their input is being used to improve the process, there is a greater likelihood of participation in the survey process. If the City were to conduct a citywide survey of customer satisfaction and concerns, questions relating to development review should be included in the solicitation for information.

Recommendation 19: Hold regular meetings with members of the development community to listen to their experiences, advise them of any new policies or procedures, and respond to questions in person. City representatives should keep minutes of such meetings and follow-up on any requests or issues. Such meetings could be held quarterly or bi-annually and would serve to improve communication and underscore the City's commitment to improvement.

Customer Service Issues

Customers we interviewed expressed a very high degree of frustration with City employee attitudes and a perceived lack of customer service orientation. Customers and elected officials noted that employees prefer to simply say, "No," rather than take the time to assist customers in finding a way to make projects work within the confines of the City's policies and regulations. While some employees were said to go above and beyond their job duties to assist customers, other employees were perceived as only saying "No." As was previously stated, a regulatory activity can result in having to say "no" to a proposal, but it should be accomplished with diplomacy, professionalism and justification. Staff members often negotiate with applicants/owners verbally and do not always document the conversation, resulting in staff and/or customers "forgetting" and later changing the terms. One of the most common complaints is that the information given to customers by staff is incomplete and/or changes over time.

Recommendation 20: Ensure that customer service attitude is included on every employee's performance evaluation. City management should reinforce the big picture role of these employees to assist customers in making projects happen within the framework and confines of City policies and regulations and should explain the importance of quality growth in the City's long-term fiscal health. Management should instill in employees some understanding of the applicant's point of view and should emphasize a problem-solving approach to service provision.

Customers note, and some employees also believe, that the current 9/80 schedule with every other Friday off work is inconvenient for customers, particularly in the development arena when time means money. Similarly, customers note that staff offices are closed during lunch and that the counters are closed every Wednesday afternoon. The result is that the hours for service to customers are reduced and customers must memorize and learn when the offices are open on an erratic schedule.

Recommendation 21: Extend or improve open work hours at the development counters. There are myriad ways in which to adjust work hours. The City could offer extended evening hours to offset closed lunch hours, the City could return to a Monday-Friday work schedule but only offer open counter hours from 8-3, leaving two hours at day's end for quiet employee work time and telephone call response. The goal is to improve and expand hours available to the public.

Staff noted that the ability to perform financial transactions merits review and does have a customer service impact. Currently applicants must submit at the development counter but then must walk next door to City Hall to pay any fees at the Finance Department. The Finance Department then forwards to Planning or Building a receipt showing fees are paid and that project review can commence. While Public Works can accept checks for payment at their site, they cannot accept cash.

Recommendation 22: Review cash management policy as it relates to development review. The City should review the efficacy of not allowing development departments to collect funds. As long as the location is next to City Hall this may be workable but if the office location were to change in the future, cash collection should be designed to provide the customer with one-stop service ability. Customers should not be forced to move from location to location to transact business with the City.

Staffing/Personnel Issues

Probably the primary source of difficulty for Santa Paula's development review process is the significant amount of staff turnover that has occurred in recent years, resulting in the lack of consistency with regards to regulations and processing and the loss of valuable historical knowledge. This has occurred not only at the department head level (i.e., Planning and Economic Development) but also in the rank and file. Only one employee other than the Building Official in the entire Building and Safety Department has more than two years service with the City and the Building Official states he has hired approximately 21 building inspectors in 21 years. Only two of the City's five Planning staff have more than two years service as well. The Public Works Director, himself new, notes significant vacancies and turnover in the engineering ranks as well. The primary (and very consistent) explanation provided to us for this turnover is that Santa Paula's pay and benefits are not competitive (said to be as much as 20% below other jurisdictions), and that other nearby jurisdictions regularly recruit and hire Santa Paula staff away. Indeed during this project, one inspector admitted in his interview that he was leaving soon, and another employee stated that s/he would be long gone if not for family and other local obligations. Employees believe that Santa

Paula has become the “training ground” for development review employees who come, get trained, and then depart for better compensation. Customers know that the compensation is an issue impacting the quality of service they receive from the City and are frustrated when they often see new faces and do not have consistent points of contact or staff contacts with the desired level of technical expertise. Employees and customers also agree that the pool of employees from which to select has decreased in quantity and quality and can largely be attributed to compensation. Such turnover is a particular blow to development review operations due to the need for clarity and consistency in the application of very complex regulations and the need for skilled technical training and knowledge of local regulations.

Recommendation 23: Immediately perform a salary and benefits survey for development review positions.

If the City hopes to improve its process, one of the best things it can do is invest in its employees. By ensuring that compensation is competitive, Santa Paula will attract and retain skilled employees who, in turn, can improve the quality of service delivered to customers. The importance of continuity of employees in the development review process cannot be overstated.

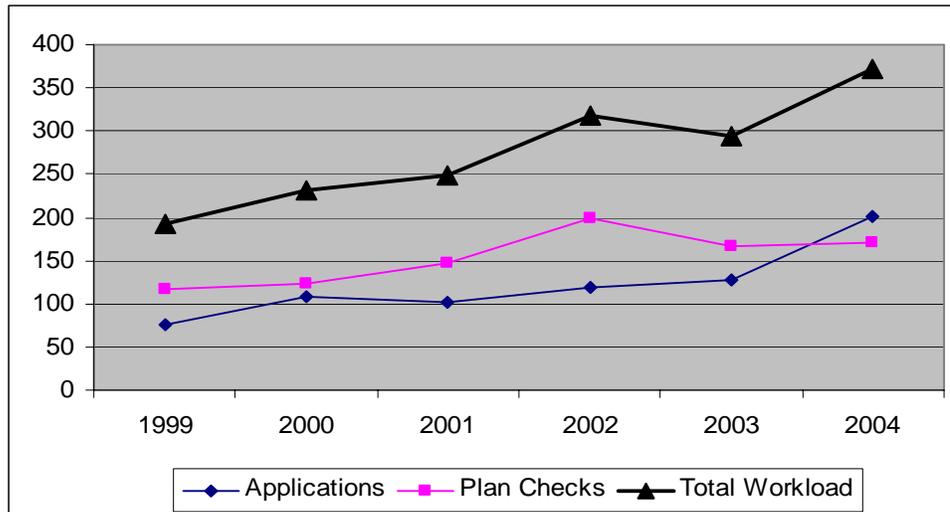
Recommendation 24: As part of the salary and benefits survey, resolve and clarify pay equity issues.

There is some question as to why some professional staff are paid on an hourly basis while others are paid on a salary basis. These issues should be addressed. Any professional employee should be appropriately paid on a salary basis and the expectation of working evening hours such as at meetings should be clear.

Staffing levels are also a concern for the system. Staff report being severely overwhelmed by the volume of work and urge the City to increase staffing levels.

Data support this assertion. The Planning Department has seen a substantial increase in workload in recent years. As Figure 1 below shows, applications and building permit plan checks (also reviewed by the Planning Department) have together created an increase in total workload volume of 93% from 1999 to 2004. It is fair to say that Planning Department workload has almost doubled in the past five years.

FIGURE 1: PLANNING DEPARTMENT WORKLOAD



To put things further into perspective, in 1999 there were on average 6.3 planning applications submitted per month. In 2004 there were 16.8 planning applications submitted per month, almost three times as much. The Santa Paula staff of five technical FTEs (one Director, two Associate Planners and two Assistant Planners) handle both current and long-range planning functions.

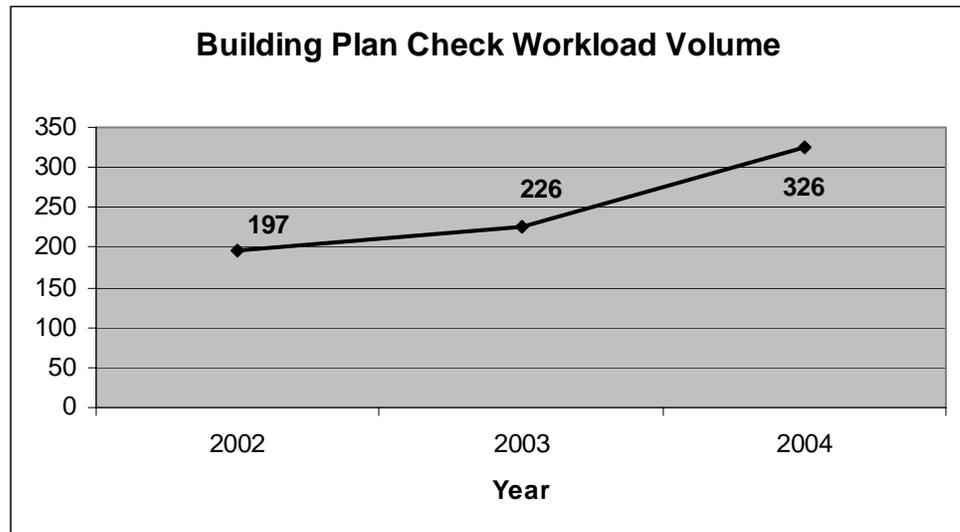
The City has, in recent years, added two full-time junior-level Assistant Planner positions to support the two senior Associate Planners. The Assistant Planners perform the majority of building plan check review on behalf of the Planning Department, review less complex projects and provide counter coverage. This has improved workload capacity in the Planning Department for the short-term. In order to determine long-term staffing needs, and before additional staff is added, however, a more detailed analysis of the workload by case type would need to occur.

The quality of Planning Division staff is a concern to customers, who feel that the City needs more senior-level planners on staff. Customers are concerned that planners do not “sell” projects to the Planning Commission as well as desired and do not have depth of technical knowledge such as of the Subdivision Map Act or CEQA.

Recommendation 25: Hire experienced senior-level (Associate) planners when vacancies occur. Ideal candidates should include persons with several years experience in other jurisdictions. It must be noted, however, that the City’s ability to hire experienced planners will be influenced by its actions regarding compensation (Recommendation 23).

The Building and Safety Department has also seen a rapid increase in permit applications in recent years. As Figure 2 shows below, permit applications rose by 14.7% in 2003 over 2002 and by 44.2% in 2004 over 2003, an overall workload increase of 65% from 2002 to 2004.

FIGURE 2: BUILDING PLAN CHECK WORKLOAD



Estimated valuation of the improvements rose 56% from \$11.2 million in 2002 to an estimated \$17.5 million in 2005. Plan checking capacity has been increased slightly with the addition of the Associate Engineer position to Building and Safety. Presently the Building Official performs some plan checks, the Associate Engineer performs some, and trade reviews are performed by the inspection staff. One might approximate the City's plan check capacity as roughly 1.5 FTEs which equates to roughly 18.1 plan checks per month. This is a reasonable workload level but requires the Building Official to spend his time performing line work rather than managing his department. The Building Official is also screening 100% of incoming applications to determine the appropriate plan checker.

Recommendation 26: Perform a detailed staffing study to determine current and future staffing levels for the development process. The City should invest in a staffing level review in order to ensure appropriate staffing levels system-wide. The ultimate magnitude of the Fagan Project, if approved, will be primary in determining what the level of staffing should be and how it should be accommodated, i.e., City staffing or contract.

Clerical support in the Community Development building should also be reviewed. There is currently a full-time Secretary for the Planning Department, a temporary Receptionist and full-time Secretary in the Building and Safety Department, as well as the Customer Service Representative to provide counter coverage. These positions have limited cross-training or cross-utilization. According to staff members, there is

some lack of role clarity, which at times leads to disagreements. The City is also limited in its capacity to provide administrative contract management.

Recommendation 27: Cross-train clerical staff serving in the Community Development building in order to create a better clerical support pool on which to draw.

Technology Issues

City employees have access to typical Microsoft Office software but technology specific to the development review process is lacking. This is a critical need. The Planning Division tracks project status using a handwritten log book and Access database which is no longer supported. The Building Department also uses an Access database. The Public Works secretary uses an Excel spreadsheet to track project status. The Deputy Fire Chief uses Firehouse software to track permits along with Microsoft templates. Fee calculation and permit issuance is handled completely manually at the current time, increasing the potential for errors. There is no central database of information on projects so that City employees across the system can check project status and/or show all conditions and requirements associated with a project. This also makes it difficult for City management to easily ascertain turnaround times or assess individual employee performance.

Recommendation 28: Immediately invest in a central computer software system to be used by all employees involved in the development review process. Several software packages exist that are customized to provide excellent tracking of development review projects from start to finish and even can link Word documents and GIS maps directly to project status files. Such a system would link together all portions of the City's review process. As funding permits, such a system can even allow customers to access project information themselves (such as review status) directly over the internet, reducing staff time spent taking phone calls inquiring about project status, and making the process more transparent for customers.

According to staff, there is no internal service fund for technology in Santa Paula. Each department must budget his/her own replacement computer hardware, and there is no regular rolling replacement of computers such that every employee gets a new one every X years. Employees report having older, slow computers that are unable to run necessary software (i.e., mapping programs). There are no computer terminals at the front counter so that staff can look things up for/with customers, and there are no public terminals for use by customers.

Recommendation 29: Implement a rolling replacement schedule for computer hardware. While the City's financial constraints will dictate implementation of this recommendation to some extent, the interval of replacement can be adjusted to accommodate this (i.e., each computer replaced every five years, four years, or three years as funding permits). Likewise, once an interval is chosen, the City can replace the same percentage each year (i.e., replace one-third of all computers each year for three years, then start over).

There is no technology in place for field employees such as building inspectors, who must handwrite and then copy and file their notes. Inspectors are unable to pull up information on a project when in the field but must use cell phones to call the office to have someone stop what s/he is doing, look up the information and share it over the phone.

Physical Workspace Issues

At present the City houses the Planning, Economic Development, and Building and Safety Departments in the Community Development building at 200 South Tenth Street next to City Hall. Observations reveal that this workspace is barely adequate for current staff, lacks customer service improvements, and will not meet City space needs as additional staff are added in the future. Indeed, the Fire Administration staff has already been moved to a modular trailer next door and must be summoned to the counter by telephone if a customer needs their involvement.

Space is extremely limited in the current building. Staff work areas are inappropriate for the work being done; many staff cannot unroll a set of plans in their workspaces but must use the floor or public areas. (Given that unrolling plans is a major part of staff jobs here, this is akin to not giving clerical staff a desk.) Staff workspace is extremely tight. The counter at front is not large enough to unroll plans and accommodate more than one or two customers at a time. Staff report that they are "tripping over each other" when trying to serve multiple customers at the counter. The waiting area is quite small and lacks seating for more than a few persons. The display of brochures and handouts is poor, located at a level below the waist and on a horizontal plane; many customers would not see the City handouts. The current filing/storage space has been reworked and reorganized but remains very cramped. There is one small conference room in the building and limited area for group or private meetings with customers. There are no employee lunch areas or lounges. Employees complain that the building is not cleaned well and is ripe for health hazards.

Staff believes that having the majority of development employees working together in the same location has improved service to customers and also has improved internal communication. While the City of Santa Paula does not yet have a true "one stop shop," it has a very close approximation.

The linkage with Public Works has been improved by having an engineer moved to work in Building and Safety; applications are only forwarded to Public Works if they are complex enough to merit further review, and the engineer makes this determination. In the past, Fire Administration, including the Deputy Fire Chief responsible for fire and sprinkler reviews, was located within the Community Development building. They note that being moved to the trailer has had some negative impact on communication with the other agencies.

Plans are in place and have been designed to increase space by acquiring part of the building formerly used as the Finance Department storage room. This area will now be converted into additional offices and will provide a customer service entrance directly on Tenth Street. This is a good interim solution but will not address long-term needs. The Police Department evidence storage continues to take up additional space that could be converted to office use in future years.

Recommendation 30: Implement existing plans to increase space in the Community Development building by relocating storage areas. In the short-term, the City should move forward with plans to increase space in the building and provide a better customer service entrance. Any relief will be welcome to employees and customers. The storage of plans and evidence should be secondary to the provision of adequate workspace for employees.

Recommendation 31: Undertake a long-term facilities planning process to identify future space needs and acquire adequate space. As the Fagan Canyon project ramps up, the City will need to add staff and will require facilities in which to house such staff. This is also an opportunity to improve customer service and improve staff working conditions. The City should begin now to identify an appropriate building or site for expanding Community Development workspace. Consideration should be given to the reuse of existing commercial structures and/or the construction of a new facility. Staff should be consulted and involved during the design of any new facilities to ensure it meets staff needs.

Recommendation 32: In any new facility, provide adequate space to house Planning, Building and Safety, and Fire Administration together. Staff members agree that having most players located more closely together has improved the process and increased communication. This, in turn, improves service to customers who can get most of their work done at a single location. The goal of having a one-stop shop should be realized with any new facility. The design of this space

should accommodate the flow of work, i.e., a one-stop process for the customers.

Records management and storage is another concern for the operation. The growing volume of paperwork to be stored creates space concerns and there are no apparent plans in place to implement electronic scanning technology to reduce the need for archival storage space. Staff has made efforts to clean out and organize existing records space but remain concerned regarding file and plan storage. Given that legal issues can arise that require the City to access historical development documents, the City should make efforts to rectify this situation.

Recommendation 33: Create a plan for records management for the development review function. The City should either store documents with an offsite company or implement an electronic document scanning program to reduce hard copy file storage needs.

CONCLUSION

The City of Santa Paula is a growing community that is suffering some pains as it evolves from a small town to a big city. The quantity and complexity of development has increased in recent years, taxing staffing levels and expertise. Significant levels of turnover in associated departments and the lack of available technology to automate the process have contributed to a decline in customer service.

City management and department directors should view the phases of development review as parts of a single unified process rather than stand alone processes on their own. The development review process can be improved by ensuring that employees recognize their role in “the big picture.” City management must establish specific performance goals and measure staff performance in meeting them. Management should invest time in a thorough review of all existing policies and procedures with regard to development and, once blessed, should let employees perform their reviews based upon them. The City should make efforts to improve upfront communication to customers including greater access to explanatory materials and the creation of detailed review checklists outlining precisely what will be reviewed. Turnaround times should be tracked and evaluated on a regular basis. The City must invest in technology and competitive salaries and benefits to retain qualified staff and improve customer service.

It was stated at the outset of this report that, because the many positive aspects of the organization are not detailed here, the conclusions and recommendations could easily be construed as a totally negative assessment of current operations. The recommendations contained in this report are designed to bring about possible improvements. They represent a means of utilizing the obvious talents and competencies of a very qualified staff. They will match with an expressed desire of an organization to provide quality services to its customers within the parameters of the rules it is required to administer.

Careful, thoughtful and reasoned implementation of the recommendations in this report will have a positive impact on the City’s organization, its employees and its customers. Care should be taken to educate customers on any changes taking place so that they are aware and included in the transition process.

Management Partners wishes to thank the City Council, the City Manager, and all City staff for their involvement in, and assistance with, this report. The employees who participated in the process revealed an earnest desire to improve the systems and a wealth of creative ideas to do so. The City is ready to take the next steps in bringing about those improvements.

ATTACHMENT A SUMMARY OF RECOMMENDATIONS

Recommendation 1: Develop a statement of overall goals and objectives for development review functions citywide with a specific emphasis on continually enhancing customer service.

Recommendation 2: Implement a system of project management to ensure internal tracking of projects from submission of the first application (usually Planning) until construction is complete and the Building Permit is finalized.

Recommendation 3: City policymakers and management should set policy and then support and empower staff in doing their jobs.

Recommendation 4: Set specific performance requirements for department heads and employees and hold them accountable.

Recommendation 5: Implement a General Plan, records management and technology surcharge on all development permit applications to fund improvements.

Recommendation 6: Prepare informational materials to educate the customer about permitting processes and requirements.

Recommendation 7: Implement an outreach and education program specifically targeting infrequent and smaller-scale customers (i.e., “mom and pops”).

Recommendation 8: Adopt a City policy allowing employees to reject incomplete applications, and make detailed application checklists readily available to all customers.

Recommendation 9: Restructure to place the economic development function and specialist position within the Planning Department and place the City’s housing programs under Building and Safety.

Recommendation 10: Hire an Assistant City Manager who has as a primary function the oversight of the City’s development review processes.

Recommendation 11: Create detailed review checklists for the planning and building departments and share them with customers at the front end of the review process.

Recommendation 12: Budget for and hire additional technical staff in Planning and Building and Safety and ensure technical staff coverage at the counter at all times.

Recommendation 13: Update the City’s design standards and have them approved by City Council.

Recommendation 14: Implement quarterly development review staff retreats to reiterate process steps and clarify issue areas.

Recommendation 15: Conduct regular staff meetings of the Planning and Building and Safety Departments to discuss key projects.

Recommendation 16: In the short-term specialize the assignments of current building inspectors on a rotational basis.

Recommendation 17: Given the age of its housing stock, Santa Paula should implement a program of infractions for code violations and an inspection upon sale program to reduce blight and improve code enforcement.

Recommendation 18: Solicit customer feedback on a regular basis and use the resulting information to improve service.

Recommendation 19: Hold regular meetings with members of the development community to listen to their experiences, advise them of any new policies or procedures, and respond to questions in person.

Recommendation 20: Ensure that customer service attitude is included on every employee's performance evaluation.

Recommendation 21: Extend or improve open work hours at the development counters.

Recommendation 22: Review cash management policy as it relates to development review.

Recommendation 23: Immediately perform a salary and benefits survey for development review positions.

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