STAFF REPORT

TO: Mayor & City Council DATE: March 24, 2015

FROM: Shannon Tuch, Director of Development Services

VIA: Gary Jackson, City Manager

SUBJECT: Mayor's Development Task Force

Summary Statement: Beginning in September, the City hosted a task force designed to review and discuss challenges associated with developing in the City of Asheville. The group of 23 stakeholders met once a month for four months and identified numerous issues commonly experienced during the development process.

Review: Prior to the formation of the Task Force, Development Services staff had independently identified a variety of priorities to be considered in the coming year and had initiated action on several. These priorities, not surprisingly, significantly overlapped the priorities identified by the task force. The work of the task force helps to focus current and future actions and begins to identify what resources may be needed, the most significant one being "staff time" which is repeated throughout the summary table (attached). With many competing demands, it is helpful to identify the highest priorities and those other initiatives that may easily be accomplished as part of a larger initiative. The attached spread sheet identifies the task force recommendations and priorities, and staff had added possible initiatives that could be considered to address the concerns raised.

With the assistance of our colleagues in other departments, Development Services anticipates being able to accomplish many of the initiatives identified on the master list with the highest priorities focused on:

1. Simplifying/expediting the submittal and review process
    - Offering formalized early assistance
    - Expanding options for on-line submittals
    - Looking at opportunities for expedited submittals and reviews

2. Improving communication between departments, and between customers and staff
    - Improve permitting system to communicate project status
    - Develop consistency meetings between departments
    - Explore options for sharing/posting valuable information

3. Improving the delivery of our service
    - Implement an electronic lobby q-ing system
    - Improve permitting system to simplify permit numbers
    - Build knowledge base and confidence in staff

In addition to the initiatives identified in these focus areas, staff is also exploring the potential benefits of establishing a Development Services Advisory Group for the limited purpose of

helping staff review, research and discuss strategies for implementation of the task force recommendations. The conceptual behind forming this group would be:

- Assemble a committee of 9 members representing different stakeholder groups in the development community (contractors, design professionals, real estate professionals, property owners, business owners, financial institutions, etc.)
- Meet once a month for 1 ½ hours to review priorities, schedules, progress and offer feedback, ideas, research and perspectives on various initiatives
- DSD staff to be primary staff assigned to group, with representatives from other departments invited to participate as applicable
- Committee to report out every 6 (12 months?) months to the Planning & Economic Development Committee

Progress - As an example of the on-going efforts to improve the efficiency and effectiveness of our development related services, the following accomplishments have been completed in the last three months:

1. Filled four key vacancies
2. Enabled email notification for all final inspections
3. Moved all inspectors to two trades to increase comfort level in areas of expertise (trial program)
4. Established a mentoring rotation pairing more junior inspectors with experienced inspectors
5. Added credit card payment options in water resources
6. Updated TCO policy and broadcasted to the development community
7. Reviewed and tested two different digital submittal software programs and met with vendors
8. Developed a pre-assistance (a.k.a. pre-application) program to be implemented July 1
9. Reviewed and tested three different electronic lobby queuing systems
10. Established a phone tree to direct customers to the most appropriate extension

Fiscal Impact: Implementing these recommendations will require additional resources, the exact amount has yet to be determined but conservative estimates fall around $300,000 spread over two years. Included in this number is: a full-time, benefited employee to perform and manage technology based improvements; consultant fees; and technology based capital investments (primarily focused on digital plan submittal and review). Needed resources would be derived from development fees and charges. A fee increase is not now planned and we are hopeful for continued levels of permit activity.

Recommendation: Informational only. No Council action needed.

Attachment:
(1) Development Task Force Priorities Summary

Mayor's Development Task Force

February 2015

Category	Sub Category	Concerns	Initiatives	Resources Needed	Timeline	Additional Questions / Comments	Priority
Process and Procedure Challenges	Permit Payment	**Delays caused with permit payment process**	Expand options for on-line payments; "Expedite" line for quick service/payment	Staff time	2 months	Requires the collection of information before fee is paid. Customer should be aware of risk of delays for incomplete information.	Low
		A) Payment of fees causing delays	Request: Plan Review fees paid in advance, especially on large-scale projects. Don't always know full cost when applying. Causes time delays. Start with flat fee	Staff time	6 months	Flat fees create disparities and other consequences - need to balance priorities.	Low
	Fee Fatigue	**B) Too many complicated and costly fees**	Request: The cost of developing larger and more complicated tracks. All fees associated with infrastructure reduce room for profit.	Staff time	6 months	Flat fees create disparities and other consequences - need to balance priorities.	Low
	Permit Processing and Timeliness of Work	**Too many rounds of submitting and resubmitting**	Work to develop a structured pre-liminary review process designed to filter out speculative inquiries from real projects.	?Possibly need additional staff depending on demand for service	Done (pending fee adoption)	Service may compete with services provided by code consultants and design professionals.	High
			Organize and improve on-line checklists; standardize across departmnets how comments are communicated and responded to	Staff time	In process - 3 months to complete	Could require coordination with website improvements	High
			Re-evaluate plan submittal requirements (can we simplify what is needed for review?)	Staff time	6-12 months	Less info on the front end requires more responsibility on the design later. Is community willing to accept responsibility?	Medium
			Provide regular training & updates to design professionals on requirements, changes, new policies, etc.	$10,000 per year	2-4 months	Survey community to understand what they are interested in and would find valuable.	Medium
			Implement an auditing/oversight program to improve consistency & thoroughness	Could require one new high level position ($100K)	6 months	May be chellenging to find individual broadly familiar with all disciplines. Auditing can also cause time delays.	High
		Lengthy water closeout approval process.	Provide a check list at pre-construction outlining the requirements.	Staff time	Done.		
		Predictable turnaround times	With some enhancements to the system we will better be able to report and project timelines for review and overall turn around.	Part of Accela Phase II - $200K project	In process - 6-12 months to complete (coordinated with larger Accela project)	Multiple strategies	High
	Permit Retrieval	**Unknown issues (i.e. outstanding permits)**	Implement processes and reports for closing expired permits.	Part of Accela Phase II - $200K project	Underway. 5 months. Requires review with Council Committee.	3 areas of focus, 1) Database development, 2) Establishing policies, 3) Enforcement	Low
	Permit Requirements	**Unexpected/unknown additional requirements (i.e. Green issues,etc)**	Pre-assistance program, Fund Ombudsman, Add staff at front counter	$100K	In process - new "Review Specialist" position created to help customers at time of application	Ombudsman option is part of a larger policy discussion	Medium
Education	Need for Internal Education	**Provide better instruction to volunteer commissioners; Review selection process**	Improve Communication of expectations to volunteers (meetings, retreats, training)	$10K + staff time	3-6 months	Multi-departmental effort - requires broad participation	Low
	Need for External Education	**Lack of understanding in general public on building code and permitting process**	Develop education & outreach efforts	$10K + staff time	6-12 months (currently working on electronic distribution of valuable info)	May want to survey community as to what they are most intersted in.	Low
Communication	Communication to Public	**Lack of communication to public on policy and standards**	Update Website; review options for broadcasting info electronically	$10K + staff time	4-6 months		Low
	Lack of communication between Departments and Services	**Inter-departmental confusion and lack of communication**	Initiate "Consistency Meetings" between departments	Staff time	2 months to establish, then on-going	Requires support and participation from other departments	Medium
			Evaluate best practices around the country	None	4 months		High
			Improve existing permit system to push notifications to all departments when action is needed.	Part of Accela Phase II - $200K project	4 months		Medium
			Provide technical and customer service training for staff	$10K to accelerate	On-going		Medium

Communication (Continued)	**Lack of communication between Departments and Services**	**Cumbersome final inspection process**	Set up meeting with stakeholders & DOT representatives to discuss improved coordination	Part of Accela Phase II - $200K project	Study in process - 6 months to implement once study is complete	Inspection process is complicated and requires multiple steps and involves many different parties. Solution will need to meet basic needs and requirements for different functions.	Medium
		Disconnect between Transportation and DOT	Set up meeting with MSD representatives to better understand potential delays and what the COA can do to minimize	Staff Time	2 months		Low
		Delays on MSD reviews		Staff Time	2 months	City of Asheville coordinates with MSD but has no control over the turn around times or other delays.	Low

Culture	**How to Empower and Inform Staff**	**Converting "no" to "yes"**	Allow staff to specialize in preferred focus areas (stick with what you know)	Staff time	In trial	Implemented 2 trade specialization	Medium
			Develop an appeal process for both staff and customers.	Staff time	In progress - 2 months to complete	Informally done - need to follow up with formalizing through an SOP and share with staff	High
			Provide technical and customer service training for staff	$10K	6-12 months		Medium
		Loss of institutional knowledge	Develop a plan for succession training	Staff time + HR assistance	Done		High
			Better document decisions and findings for reference/case examples	Staff time	3-4 months to address current need, then on-going		High
			Develop plan to retain existing staff.	Staff time + HR assistance	Underway	To some degree, employee retirement and turnover is inevitable and to be expected. There are also benefits to adding new, fresh perspectives, skills and talents.	High

Customer Service	**Digital Submission**	**Inability to submit plans digitally**	Research and review vendor & phasing options	Staff time + IT assistance	In process - 2-3 months to complete	Could begin with accepting revisions digitally	Medium
			Develop policy and staff + customer training	Consultant services	6-12 months	Very important - must be done BEFORE launch	Medium
			Implement	$45K + annual maintenance fees	6-12 months		Medium
	Staffing	**DSD not being open on Fridays**	Review practices in other cities	Staff time	1-2 months		Low
			Survey community for hours/services needed	Staff time	1-2 months	Have received complaints re: early morning inspections being too early.	Medium
			Assess demand and resources needed	Staff time	2-3 months		High
			Develop a plan for change management for staff	Staff time	In process	Will need to seek input from staff and how this impacts them. Minimize risk of further employee turnover.	HIgh
		Wasted Time in Line	Lobby Management System with Specialized Queues and Remote registratoin	$6,030 plus $4,530 Annual Maintenance Fee	2 months		Medium
		Cannot get TCO on Fridays	Open for business on Fridays	Uncertain - may balance	(contingent on opening on Fridays)	Requires participation from other departments.	Medium
		High Vacancy Rate	Hire more staff	$100K	3-6 months	Not enough staff to keep up with volume creating back log and delays	High
	Credit Card Processing	**Can't use credit card at Water Department**	Change check payments to credit card	None	Done	Some payments still require checks for various reasons that can be explained	Low
	Permit System	**Features not working properly**	Restructure permit system to have one Building/Fire #, one Site # and to bring Water into the system with a third #.	Part of Accela Phase II - $200K project	One year +/- to restructure		HIgh
			Improve the tracking of information on-line. Will require tutorials/education.	Part of Accela Phase II - $200K project	3-4 months - timed with restructure.	The tracking information in the former system (HTE) could be misleading (e.g. Project shown as "REC" indicated that project was "received" in the system but was not actually in "review"). The new system can be designed to show all stages.	Medium