CITY OF MORGAN HILL

CITY COUNCIL STAFF REPORT
MEETING DATE: April 16, 2003

Agenda Item # _____

Prepared By:

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Asst. to the City Mgr.

Submitted By:

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City Manager

UPDATE ON DEVELOPMENT PROCESSING SERVICES STUDY IMPLEMENTATION

RECOMMENDED ACTION

1. Accept report on the implementation status of development processing service recommendations.

2. Direct staff to report back on implementation status in October 2003.

EXECUTIVE SUMMARY:

Last fall, the City Council received a report from MAXIMUS, Inc. regarding the City's development processing services. The report suggested 39 actions to improve these services. On November 6, 2002, the Council accepted staff's proposed schedule for implementing MAXIMUS's recommendations.

The table in Attachment A shows the current status of each of the recommendations made by MAXIMUS. Twenty-one recommendations have already been put into practice and eight more will be complete within the next six months. Some of the high-priority recommendations that have already been implemented include the assignment of an Engineering representative to City Hall on a part-time basis; faster routing and processing of development applications; faster plan checking; better documentation of staff comments on applications; and improved tracking of multi-departmental review times. The Economic Development Coordinating Group has also served to help expedite processing of economically important projects.

Five recommendations have been deferred due to budget constraints. With capital investments in City operations currently on hold, it is not possible to implement the recommendations related to expanded use of the Tidemark automated permitting and project staffing software, or to integrate Geographic Information Systems (GIS) software with Tidemark. In addition, the City's hiring freeze has prevented filling the Senior Planner vacancy on an ongoing basis. Adding new positions is not feasible at this time either, so the creation of a full-time position for a building maintenance supervisor is on hold.

Most of the remaining recommendations will be completed in the next several months. Adoption of a new handbook for the ARB will establish definitive standards for site review. In May the Council will consider the use of City-initiated planned unit development rezoning, and blanket contracts for environmental review are expected to be in place by the end of June. The update of the Planning Division's Policy and Procedures Manual later this year will achieve several of the outstanding recommendations. Exceptions are the recommendations for which the study suggested longer timelines for completion: the creation of a one-stop permitting center, and the ability to issue permits online.

FISCAL IMPACT:

No budget adjustment required at this time.

Attachment A

Status Report on Implementation of Study Recommendations

No.	Recommendation	Pri-ority	Timeline to Initiate	Responsibility	Cost	Currently budgeted? If not, staff funding recommendations	Current status of this recommen-dation	Staff comments about implementing this recommendation
Cross-departmental Recommendations								
1.0	Implement automated permitting & project tracking in all divisions. Provide tech support and training	1	Underway	Community Development Director/Public Works Director	No additional capital cost for CDD. $50,000 cost for PW is budgeted in current year. Minimal cost for BAHS training.	Implementing Tidemark is underway in Planning, and budgeted in Public Works. However, significant additional costs are likely to arise. See staff comments.	Deferred due to budget constraints.	
1.1	Acquire capability to provide online access for issuance of simple permits, for inspection requests and to provide access to project status	2	Within 3 years. (Depends on availability of reliable software)	Community Development Director/Public Works Director	IVR system in place for inspection requests by phone. Capital cost for e-permitting, incl. project status approx. $125,000. Maint. cost $6,000 per yr.	Not budgeted.	Pending. On schedule for 05/06 implemen-tation, as recommended.	Based on reports from other communities, this technology is not fully functional at this time. Staff plans to wait until FY 05/06, in order to deploy a product that has been tested and reliably used elsewhere.
1.2	Acquire capability to integrate GIS with the permitting system	2	FY 2003-04	Public Works Director	Capital cost approx. $10,000. Annual maint. cost unknown	Not budgeted.	Deferred due to budget constraints.	A GIS needs analysis has been completed.

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2.0	Work toward creation of a one-stop permitting center housing all development review departments	3	FY2007-08	City Manager/ City Council	Unknown	Remodeling the library for City use is In CIP budget for FY 03-04. However, best estimates at this time are that the earliest this could occur is in FY 05-06.	Pending approval of library grant for construction of new library.	The current CIP assumes that a new Library will be built on Alkire Road and that the old library will be remodeled and used by CDD and PW staff.
2.1	Assign Engineering representative to City Hall part-time	1	FY 2002-03	Public Works Director	Minimal cost	No budget impact.	Completed.	Assignment began November 11, 2002.
3.0	Obtain expedited processing for economically important projects through the Econ. Dev. Coordinating Group and division managers	1	Immediate	BAHS Director/ Community Development Director/Public Works Director	No cost	No budget impact.	Complete, and ongoing.	This procedure has been incorporated. Staff will continue to evaluate the effectiveness of our procedures for processing economically important projects.
3.1	Document schedules for expedited processing of economically important projects	1	Immediate	BAHS Director/ Division Managers	No cost	No budget impact.	Complete, and ongoing.	

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Planning Division Recommendations								
4.0	Fill Senior Planner vacancy and fund half-time contract planner	1	FY 2002-03	Community Development Director	Sr. Planner $93,000 in current budget. Half-time contract planner approx. $50,000		Deferred due to budget constraints.	The Senior Planner has not been hired due to the hiring freeze. Two contract planners handle day-to-day and long-range planning, and are funded through 6/03.
5.0	Upgrade performance standards and improve performance measurement for development review in Planning	1	FY 2002-03	Planning Manager	No cost	No budget impact.	In process. Work began 4/03.	The Division Policy & Procedures Manual will be updated to incorporate these recommendations.
5.1	Begin routing applications within two work days	1	Underway	Planning Manager	No cost	No budget impact.	Complete	
5.2	Establish timelines for initial reviews and re-submittal reviews	1	Immediate	Planning Manager	No cost	No budget impact.	In process	A streamlined process has been developed. Specific timelines will be included in the update of the policy and procedures manual.

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5.3	Comply with recommended timelines for building plan check review	1	When staffing allows	Planning Manager	Staffing costs shown in 4.0	Budget adjustment made to continue contract planner position.	Complete and ongoing.	Staff meet the recommended timelines 95% of the time. When delays occur, they are typically no more than 1-2 days. Compliance is monitored through the Development Review Committee process.
5.4	Use Tidemark system to alert for deadlines and measure development review performance in Planning	1	FY 2002-03	Planning Manager	No additional cost (system is being implemented)		Complete and ongoing.	
5.5	Track re-submittals in Planning and review when more than one is required	1	FY 2002-03	Planning Manager	No cost	No budget impact.	Complete and ongoing.	This has been added to the Division Work Plan as a performance measure.
5.6	Clarify customer service policies and notify applicants	1	Immediate	Planning Manager	No cost	No budget impact.	In process. Work will begin in 4/03.	To be included in the update of the policy & procedures manual.

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5.7	Document meeting results in writing	1	Underway	Planning Manager	No cost	No budget impact.	Complete and on-going	This recommendation is already a standard practice.
6.1	Base Architectural and Site Review on definitive standards	1	Underway	City Council/ ARB/Comm. Dev. Director	ARB handbook and design review ord. underway. Added cost $4,000	Budgeted 02-03.	In process. Handbook to be developed by 6/03.	Draft of new standards was reviewed by the ARB, but ARB disagreed with objective. Work on the handbook will continue.
6.2	Cite specific standards for architectural and site design requirements	1	Immediate	ARB/Planning Manager	No cost	No budget impact.	Pending	Will be implemented following completion of recommendation 6.1
6.3	Forward non-compliant project designs without delay to ARB for disposition	1	Underway	Planning Manager	No cost	No budget impact.	Complete and ongoing	This is now a standard practice.
6.4	Reconsider use of City-initiated PUD rezoning to control design of commercial developments	2	FY 2002-03	Community Development Director	Can be included in zoning ordinance update. No added cost.	No budget impact.	In process. May be complete in 5/03.	Council direction on this to be clarified in 5/03.

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7.0	Consider changes to Measure P to reduce processing time and staff workloads	2	FY 2003-04	City Council/ Voters	Possible cost reduction		In process	Update committee has completed work. Election planned for March 2004.
8.1	Negotiate blanket contracts with consultants for environmental review	1	FY 2002-03	Planning Manager/City Council	No cost	No budget impact.	In process. To be complete by 6/03.	
8.2	Phase out multiple files for a single project	1	FY 2002-03	Planning Manager	No cost	No budget impact.	Pending	Staff are evaluating the feasibility of implementing this recommendation. Projects are being filed under single file number, however, some projects require multiple files due to the volume of paperwork.
Engineering Division Recommendations								
9.1	Reduce processing time goals for initial submittals in Engineering to 6 weeks	1	FY 2002-03	Public Works Director	Minimal cost	No budget impact.	Complete	

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9.2	Comply with recommended timelines for building plan check review	1	FY 2002-03	Public Works Director	Minimal Cost	No budget impact.	Complete and ongoing.	
9.3	Use Tidemark system to alert for deadlines and measure development review performance in Engineering	1	FY 2002-03	Public Works Director	No cost	See notes on recommendation 1.	Deferred due to budget constraints.	See notes on recommendation 1. Deploying Tidemark in PW is currently on hold.
9.4	Track re-submittals in Engineering and review when more than two are required	1	FY 2002-03	Public Works Director	No cost	No budget impact.	Complete	
9.5	Clarify customer service policies and notify applicants	1	Immediate	Public Works Director	No cost	No budget impact.	Complete	
9.6	Document meeting results in writing	1	Immediate	Public Works Director	No cost	No budget impact.	Complete	

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10.0	Develop fast-track processing procedures in Engineering for simple projects	1	FY 2002-03	Public Works Director	Minimal cost	No budget impact.	In process. Written procedures will be complete by 6/03.	The processing speed has increased with the placement of an engineer at City Hall. Written procedures are to be developed.
Building Division Recommendations								
11.1	Define plan check timelines for different project types in Building	1	Immediate	Chief Building Official	No cost	No budget impact.	Complete.	
11.2	Route building plans to other divisions within 2 work days	1	Immediate	Chief Building Official	No cost	No budget impact.	Complete	
11.3	Eliminate unnecessary routing of building plans to other divisions	1	FY 2002-03	Chief Building Official	No cost	No budget impact.	Complete	
11.4	Do in-house plan check for all building plans with a recommended plan check goal ≤ 5 days	2	FY 2003-04	Chief Building Official	Possible cost reduction.	No budget impact.	Complete	

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11.5	Track review times for all units involved in plan check process and prepare reports	1	FY 2002-03	Chief Building Official	Minimal cost	No budget impact.	Complete	
12.0	Respond to 95% of building inspection requests within 1 work day and all within 2 days	1	Ongoing	Chief Building Official	No cost	No budget impact.	Complete	
13.0	Create a full-time position for a building maintenance supervisor	2	FY 2003-04	Community Development Director	Unknown. Much of cost should be offset by savings in contract services	Will be budgeted for FY 04-05. Staff estimate that $12k in contract plan check fees would help offset the staffing increase.	Deferred due to budget constraints.	Staff are studying the City's facilities maintenance structure and operations, and will consider this recommendation as part of the study.
14.0	Reclassify one existing building inspector position to a senior building inspector position	2	FY 2003-04	Community Development Director	Added cost approx. $10,000 per year	Proposed in FY 03-04 budget.	Pending	
15.0	Develop more detailed application brochures for most common types of plan checks	1	FY 2003-04	Chief Building Official	Minimal cost	No budget impact.	Complete.	