

TOWN OF WOODSIDE

Report to Town Council

From: Susan George, Town Manager

Agenda Item 5

July 26, 2005

SUBJECT: PRESENTATION TO TOWN COUNCIL OF CONSULTANT'S "DEVELOPMENT REVIEW ANALYSIS" AND DISCUSSION BY TOWN COUNCIL OF APPROPRIATE DIRECTION TO STAFF IN RESPONSE TO THE RECOMMENDATIONS CONTAINED THEREIN

RECOMMENDATION

It is recommended that the Town Council receive the presentation of the attached report, accept public input on its contents, and discuss the appropriate direction to be given to staff in response to the recommendations included in the report.

DISCUSSION

The Town Manager engaged the services of Management Partners, Inc. to analyze the engineering services function of the Town, with a specific focus on development review activities. The analysis was expanded during the course of the work to include other related aspects of the development review process. A final report has been issued and is attached for the Town Council's review and for public dissemination. The report includes sixteen recommendations, designed to improve the development review process. These recommendations are:

1. Add one dedicated and field experienced engineer to the Engineering Division and make him/her responsible solely for development review.
2. Prepare a *detailed* application checklist for all divisions to be used by the applicant in preparing the submittal and by the reviewer in evaluating the submittal.
3. Prepare a standard format for review comments to improve organization and clarity of responses.
4. If plan quality does not improve measurably with the addition of a development engineer, add clerical staff to ease project manager workload so that they can more thoroughly screen submittals.
5. After the development engineer position is added, set specific review timelines and measure performance against them.
6. Set standards for customer service and measure employee performance against them.
7. Advertise the Town's willingness to hold pre-application meetings and encourage new applicants to attend one to go over the Town's process and to discuss realistic timelines.
8. Copy the applicant/owner on all comments and conditions given to contractors.
9. Publish a website page or community newsletter article on the basics of building in Woodside.
10. Hold quarterly meetings with the development community to discuss regulatory changes, outline the Town's development review process, and other related matters.
11. Create a menu of standard design options and amenities and set design standards as much as possible to reduce variability at the Architecture & Site Review Board.
12. Assure that applicants are given a copy of staff recommendations prior to finalization and are afforded an opportunity to provide comments in writing for distribution to all decision makers as part of the standard review process.

13. Set fees and surcharges to fully cover development-related costs.
14. Purchase and implement a new computer software system that automates the development review project tracking and financial systems.
15. Expand open counter hours to the public to include the noon period and provide some hours open to the public after 3 p.m. when construction work generally winds down.
16. Provide reviewing employees the workspace necessary to be efficient, as funding and space permit.

The Town Manager and the senior staff members who are responsible for the development review process are in general agreement with these recommendations. Some of them can be implemented almost immediately, with little need for extensive support work (recommendations 7, 8, and 12). Others will require additional staff and public discussion in order to determine how/if they can be realistically implemented (recommendations 10, 11, and 15). A number of them will require additional resources to implement, given the already high workload of the existing staff (recommendations 2, 3, 6, 9, 10, 14, and 16). Recommendation 13 will be addressed through the pending fee schedule review already approved by the Town Council. The remaining recommendations (1, 4, and 6) are linked to the Town Council's decision regarding the need for the additional engineering position included in the 2005-07 Proposed Budget, to be dedicated to the development review process. If the Council accepts recommendation 1, then the recruitment process can begin immediately. The addition of this position will provide the expanded capacity necessary to adequately address the balance of the recommendations.

CONCLUSION

The development review process can be, by its nature, a source of frustration for Town residents and the various professionals they hire to shepherd their development applications through the process. The attached report was commissioned on order to identify ways to improve the process, whether through the addition of needed resources or through the enhancement of communications between the Town and the applicants and property owners. The staff is ready to implement the steps needed to provide the desired and expected level of customer service to the clients of the Town's development review process.

Attachment

TOWN OF WOODSIDE

DEVELOPMENT REVIEW ANALYSIS

July 2005





MANAGEMENT PARTNERS
INCORPORATED

July 15, 2005

Ms. Susan E. George
Town Manager
Town of Woodside
2955 Woodside Road
P.O. Box 620005
Woodside, CA 94062

Dear Ms. George:

We are happy to present this report of our analysis of the Town's development review functions. We have interviewed employees and customers, examined actual sample project files, and collected relevant data to determine whether Engineering Division comments are technically appropriate and fair to customers. As you'll see in the report, our determination is that the Town's engineering requirements and comments are not unusual for construction in difficult terrain such as Woodside's and for the kind of complex, custom construction occurring there. With this said, the Town could improve its manner of communicating such requirements and we include many recommendations in that regard.

In general the Town's development review process is working well, but additional staffing is necessary to provide improved customer service. Woodside operates with a remarkably small staff of just 17 full-time equivalent employees, but there is a limit to the existing staff's capacity to absorb an increasing workload – reflected more in the complexity of review and processing than in actual permit numbers – and still provide good service. The Town can improve its communication to customers in several ways, most importantly, through creation of a detailed applicant/reviewer checklist for submissions. Finally, an investment in software and physical workspace could enhance employee productivity.

In general, Town staff members are dedicated to providing good quality customer service and show much enthusiasm for doing so. The recommendations within this report, if implemented, will further improve service levels. Management Partners wishes to thank the Town Manager, the Director of Planning and Building, the Assistant Town Manager and Town Engineer, and all city staff for their involvement in, and assistance with, this report. We have enjoyed our work in Woodside and thank you for the opportunity to undertake this project.

Sincerely,

Andrew S. Belknap
Regional Vice President

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EXECUTIVE SUMMARY

The Town of Woodside is a unique and vibrant community comprised of an active citizenry with an interest in ensuring that the community retains its small town, wooded, hillside nature. In general, the Town's development review process works well and quality projects, including extremely complex custom homes, are built. The unique character and nature of the Woodside community has been retained through a vigorous design process. Customers state that staff members are generally responsive and perform quality work.

The development review process can be further improved, however, by addressing some weaknesses in the review portion of the system. While technically the review comments are sound, the manner in which they are communicated requires some improvement. Lack of engineering staffing, as well as the submission of incomplete or poor quality work on the part of applicants, results in the need for numerous re-submittal cycles, thus further delaying the process. The Town needs to manage customer expectations by providing better upfront and proactive communication on its processes. The Town should attempt to complete as much design review work as possible by providing guidelines and standards upfront to minimize the potential for major re-design due to decisions by the Architecture & Site Review Board and/or Planning Commission later. Staff productivity could be enhanced through better tracking and billing software and better workspace. Finally, fees and charges for service should be structured to cover 100% of development review costs.

While some items can be quickly remedied in the next few months, other items (such as adding staff and getting new technology and office space) 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 best use of staff resources.

The Town is in a position of strength to move forward. Department heads and Town management have expressed an earnest willingness to address issues and make changes and the employees are quite knowledgeable. With careful, planned and methodical implementation of the recommendations included here, the Town of Woodside can greatly improve customer service, reduce process times, and improve the work environment for its employees.

INTRODUCTION

One of the most sensitive areas of municipal operations is the organization and process for developing or improving the uses of land. Every city is under constant scrutiny to properly treat customers of services related to development and building and this is further exacerbated in the Town of Woodside, which serves customers with very high service expectations.

In keeping with stated goals to better serve customers and in response to specific complaints, the City of Woodside retained Management Partners in July 2004 to conduct an evaluation of the city's current development review, building permit, and related processes with a specific focus on the Engineering Division component.

In general the planning and building permit processes work quite well though some minor improvements can be made. The Engineering Division review process, however, has more significant issues, primarily regarding review timelines, standards and communication with the customer.

The remainder of this report presents the approach used by Management Partners in preparing this study, the specific conclusions drawn from the analysis and 16 specific recommendations for improvement, which have been summarized in Attachment A.

PROJECT APPROACH

In July 2004 the Town of Woodside retained Management Partners to perform a neutral, third-party, analysis of the Town's development review functions. This review was focused primarily on the Town's Engineering Division and its role in the development process, but also includes a less-detailed review of the Planning and Building Division activities in an effort to improve the Town's overall process and better serve customers.

In July and August, Management Partners began this project by undertaking personal interviews with the Town Manager and with managers and key employees in the affected city departments — primarily Public Works and Planning and Building. These interviews provided the opportunity to gather general information on the status of the Town's development review and building permit processes, identify perceived problem areas, and gain insight into organizational dynamics.

In order to gauge perceptions about the Town's processes, Management Partners also interviewed several customers and users of the process including developers, construction managers, engineers, and others. Participants were asked what they felt were strengths and weaknesses of the current system and then to suggest solutions or improvements. These interviews took place in September and October of 2004.

Management Partners also reviewed sample projects from the Town's files. Five actual projects were "deconstructed" to learn more about the current process and how it could be improved. Timelines were reviewed, along with the actual comments and conditions imposed by Engineering Division staff. These comments and conditions were then analyzed against published Town standards including the Woodside Code of Ordinances and Required Information for Architectural and Site Review. These comments and conditions were also compared with standards in other jurisdictions in order to gauge quality and appropriateness.

During the course of this review, Management Partners collected numerous documents from Town 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 Town with insight regarding current operations and recommendations for improving service to the customer.

ANALYSIS AND RECOMMENDATIONS

In undertaking this review, it has become obvious that the Town of Woodside is a unique environment in which to work and do business. Although it is a small town, the size and complexity of the projects that must be processed in Woodside is anything but "small town" in character. These developments, very often large custom homes with multiple structures, complex designs and little standardization, make the review process difficult and time-consuming. Unique environmental factors, including active earthquake faults, floodplains, steep slopes and the lack of a complete sewer system combine to make the work even more challenging. Generally, construction must occur between April 15 and October 15 each year as no grading work is allowed during the fall/winter moratorium.

Suffice it to say that the process in Woodside is far removed from that in other communities that are reviewing standardized subdivision tracts. Woodside is essentially a rural community, with very limited infrastructure, where the demand for development and the development process itself is much more like that found in the more urbanized cities of the Bay Area. Specifically, the Town has no formal storm drainage system, and a very limited sewer system. These factors, coupled with the drainage and seismic issues within the Town, make development and the associated review process extraordinarily complex. To make the situation even more difficult, the nature of development projects in Woodside is unusual, consisting mainly of large-scale custom redevelopment on previously developed parcels. These projects are typically "one-of" with a high degree of owner involvement.

Town staff members are in the position of serving builders, architects and engineers, property/project owners and the public all at the same time. The highly participatory nature of the community adds greater intricacy and time delay to many processes. Customers have high service expectations and often do not understand state and local development processes, requirements, and timelines, leading to frustration.

The very nature of a study of organization and process involves looking 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 development review and building permit processes are reviewed herein, it is important to note that there is a

dedicated and loyal group of employees working in the Town who, on a daily basis, attempt to provide good service to the user public. In many cases they are subject to 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 meeting the regulatory requirements. With proper direction, procedures, and resources, Town employees will have the ability to successfully implement and enact the recommendations of this report successfully.

The development review analysis with recommendations for improvement has been organized into two sections: Engineering Division and Town Development Review Processes. As each of these areas impacts on the other, there will be an overlap of some comments.

Engineering Division

A primary issue impacting the entire development process in Woodside is the fact that there are no engineers dedicated to providing development review. Two engineers, the Assistant Town Manager and Town Engineer and the Senior Civil Engineer, are on staff with the Town. Both of these positions cover a multitude of duties and are by all accounts, extremely busy. The Senior Civil Engineer is primarily responsible for performing daily development review work, reviewing plans and providing engineering comments and conditions. However, he is not solely dedicated to this function and also is responsible for bidding and construction of the Town's capital projects, for maintaining local trails, and for overseeing the Town's storm water program, among other things. As these issues typically are related to overall public needs, they tend to get priority attention over plan check work. In addition, there is no backup for illnesses, vacations or other types of leave and outside contract reviewers are rarely hired to perform engineering reviews. The Senior Civil Engineer also performs the vast majority of his own clerical work including making copies, typing correspondence and other routine functions.

A review of applications over the past three fiscal years shows that workload has remained quite stable. As Figure 1 below shows, total number of applications has not varied greatly.

