



INFORMAL STAFF

MEMORANDUM

To: Ron Olson, City Manager

**Thru: Margie C. Rose, Deputy City Manager
Gustavo Gonzalez, P.E., Assistant City Manager of Public Works and Utilities
Mark Van Vleck, P.E., Executive Director of Utilities**

From: Daniel Grimsbo P.E., Director of Development Services

Date: May 29, 2015

Subject: Update on – Development Services

Issue / Problem:

Four years ago, circumstances at Development Services were perceived as being non-responsive to the customer needs and in some cases this might have been true, but in reality projects were being completed within the metric standards at that time. Improvements were implemented to further reduce the overall development process review time. For example, the building permit review time was reduced from 21 days to 14 days. Steady progress has been made to reduce review times, fill vacant positions, to add new positions and to modernize our software operating systems. This report intends to summarize actions taken to improve the department and identify future actions that still need to be taken.

Background and Findings:

Development Services has made and continues to make steady progress towards a more efficient “one-stop-shop” for plan review, permitting, zoning changes, platting, and inspections of residential and commercial projects. Development Services staff help to make the City's vision a reality by following our mission statement, “Administer the building and development codes and to facilitate development of the City”.

Development Services is where projects are reviewed and inspected, ensuring quality-of-life and safety standards are maintained for Corpus Christi communities and business. One way to maintain consistent development standards for the City are with development and building codes.

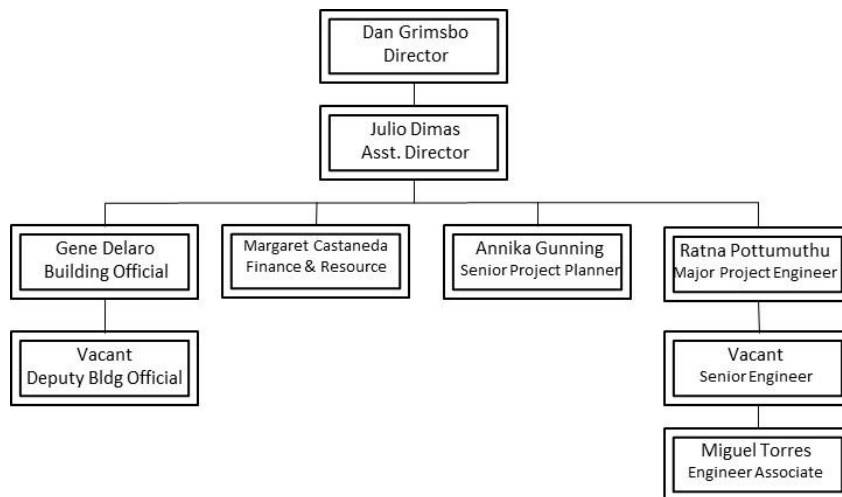
Purpose of Codes

For the City of Corpus Christi (City), the Unified Development Code (UDC) was adopted to maintain the minimum standards necessary to protect public health, safety, and welfare. The tools used in this process are platting, zoning and building permits. Platting verifies that all properties have the minimum services of public access, water and waste water (or

septic). The newly created lot(s) must also meet the zoning requirements such as lot size, setbacks, easements, flood zones, etc. Zoning is land-use planning that seeks to order and regulate land use in an efficient and ethical way; thus preventing land-use conflicts, which balances the rights of all property owners.

In 2012, the City of Corpus Christi adopted the 2009 version of the International Building Codes. Technical building codes provide safeguards and ensure uniformity in the construction industry and include, but are not limited to, structural, fire prevention, plumbing, electrical, and mechanical systems. All citizens of the City need protection from harm that can be caused by fire, structural collapse, or deterioration of their homes, offices, schools, and place of entertainment. We verify that the builders have complied with the minimum requirements of the adopted codes through plan review and inspections during construction. Once all inspections are approved, a Certificate of Occupancy is issued. Development Services will propose to adopt the 2015 International Building Codes in early 2016.

Reorganization



Several years back the public perception of Development Services was not positive and was even considered a roadblock to getting projects reviewed and permitted. Three years ago Development Services made specific improvements to the organization and administrative processes to move towards providing more effective and efficient project-related services. The first step in the improvements made was to reorganize Development Services. The organization chart above shows all of the positions that fall under the director in which all of the positions below Assistant Director are new. Moving from left to right the new positions are as follows:

The Building Official position was separated from the Director position and a Deputy Building Official, to act on behalf of the Building Official when they are unavailable, was also added. The Deputy Building Official position also focuses on process improvements in the building plans and inspections area. An existing position was converted to create the Finance and Resource Manager Position. This position helps with analysis of our cost of service versus fees charged and our metrics, as well as, our business plan. We then took an existing Project Manager position and converted it to a Senior Project Planner position that supervises all of the Project Managers and manages the intake of all plans and zoning cases.

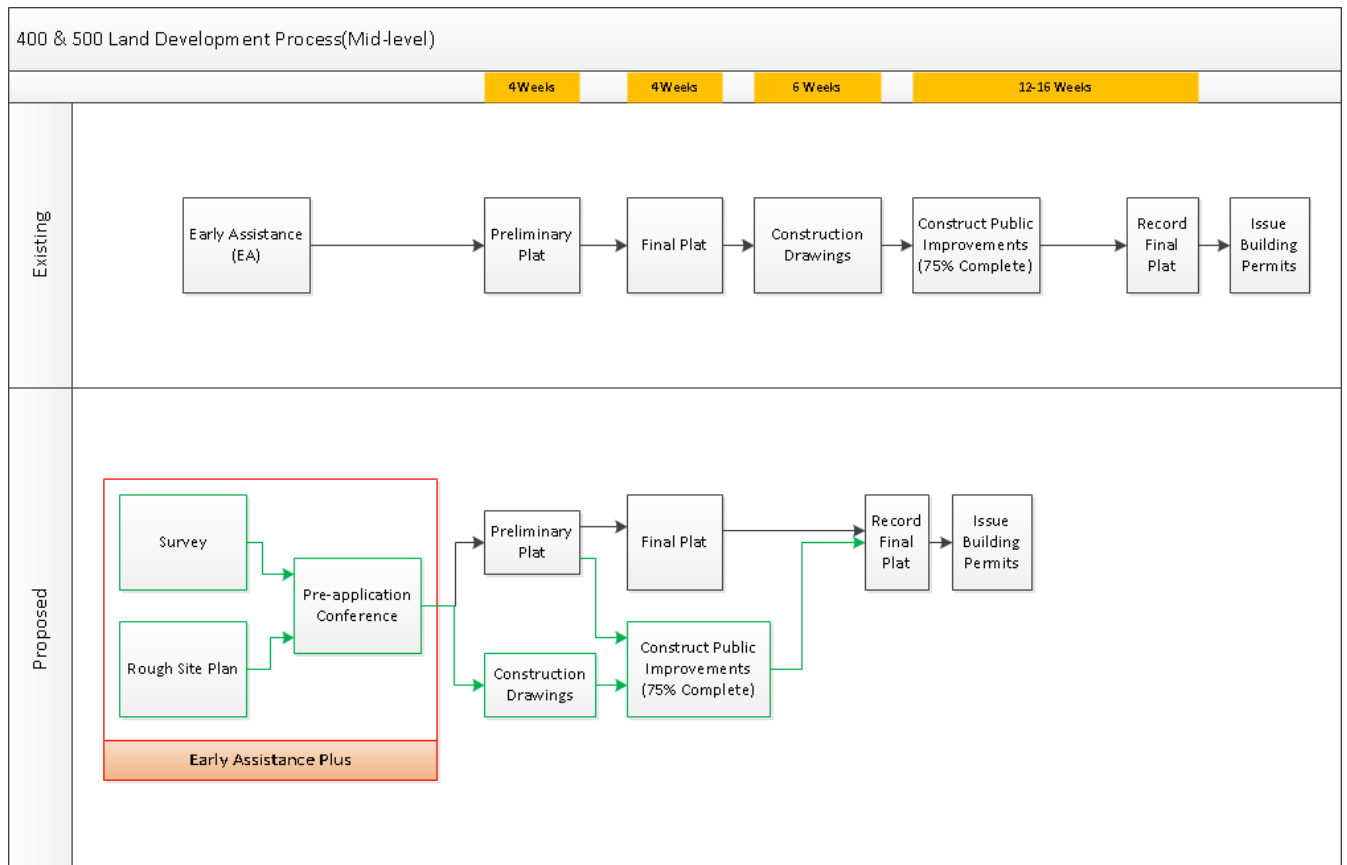
Finally, we added three Engineering positions in order to perform the design reviews on behalf of the Utility Operating Departments. These positions fall under the Major Projects Engineer.

Process Improvements

Several administrative process were also changed to help expedite the review and permitting process. The permitting process changed to allow a parallel review of Zoning, Platting, Public Improvements and Building Permits to shorten the overall process. Therefore, the process of obtaining a building permit was changed from a series process (see Flow Chart-1) to a parallel process (see Flow Chart-2). The goal was to reduce the timeline from project inception to the issuance of the building's Certificate of Occupancy. The reduction in time could be 3-6 months if the process shown in Flow Chart-2 is used. We are currently working under the revised process; however, it is not mandatory and some developers use the expedited process but many still go through one process at a time method.

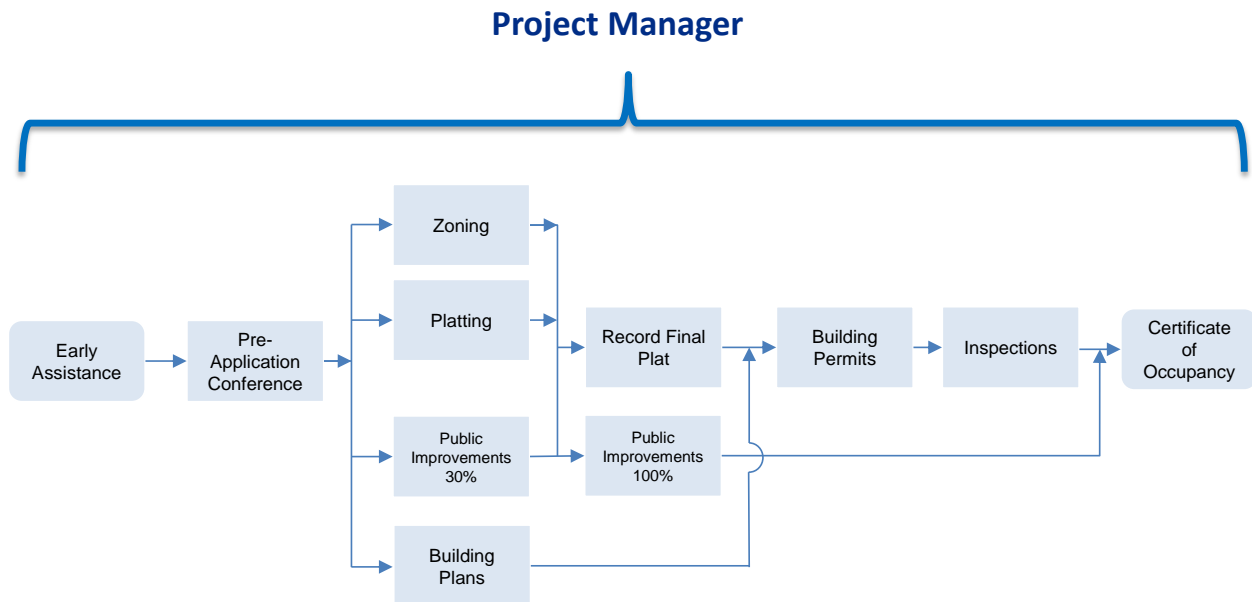
To further reduce the timeline, we revised the UDC language to allow for administratively approved Deferment Agreements thus reducing time to a permit by 2-4 weeks. Additionally, we streamlined the process to administratively approve minor amending plats, thus reducing time to permit by 1-2 weeks. Finally, we hold a 10 to 15 minute operations meeting every morning to ensure projects are staying on track.

Flow Chart-1



Current Conditions:

Flow Chart-2



Currently, Development Services is operating under the parallel flow process of approving building permits as shown in Flow Chart-2. The key component of the entire process is the Project Manager. It is thru them that a project has the best chance of being successful.

The Project Manager will setup an Early Assistance meeting to establish the key information from the Owner and design professionals. Ideally, the Owner and the design professionals are in this meeting to make sure that everyone gets all of the same information at the same time. With this information, all of the key items such as check lists, schedules, fee schedules, etc. needed to make an informed business decisions can be made by the Owner/Developer. I can't stress enough, how important the Project Manager and the Early Assistance meeting are to the success of a project.

The pre-application conference is designed to have a brief meeting with the applicant to make sure that all the necessary documents that were discussed in the early assistance meeting have been provided. At this time, a final check of the submittal package is made and it is deemed a complete or incomplete submittal.

Zoning is the process of checking a property to make sure that the proposed use is allowed in the zoning district. Zoning is not Project specific, it address the possible uses that are allowed by right in the UDC. If the proposed use is not compatible with the zoning district a re-zoning may be required. Please keep in mind that there are several types of zoning districts and different types within each district. For example, there are 11 different types of commercial zoning districts that each have very specific criteria such as primary and secondary uses, setbacks, height restrictions, etc. So, just because a piece of property is called "commercial" doesn't mean that all the commercial uses are allowed. From beginning to end the estimated time for a rezoning request is 60 to 90 days. In many jurisdictions, this can take from 6 to 9 months.

Platting is a state law that requires every parcel of land under 5 acres inside the City limits that is conveyed, to go through a “subdivision” process, commonly called “Platting”. The process is to verify that all platted properties have the minimum services of public access, water and waste water. The newly created lot(s) must also meet zoning requirements such as lot size, setbacks, easements, etc.

If a newly platted lot does not have the minimum requirements such as having access to water, the developer must install a water line that meets the current city standards known as public improvements. Once the plat has been approved by the Planning Commission and the public improvements have been completed and accepted, the final plat can be recorded. After the Plat is recorded a Building Permit can be issued. If the property is being re-platted (it has already been platted before and now being reconfigured) a building permit can be issued at any time, but the Certificate of Occupancy will not be issued until the re-platting process has been completed.

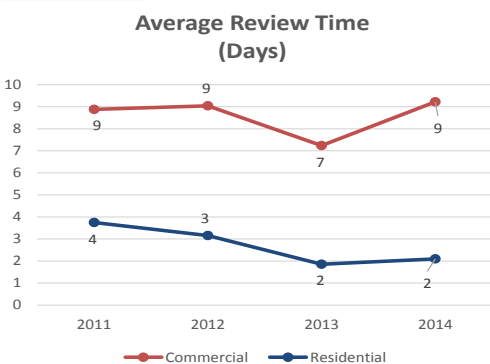
After a building permit is issued, the necessary inspections are made to verify that the construction is following the approved set of plans as well as the applicable codes. Some of the required inspections are building, fire code, zoning, engineering and third-party inspections such as windstorm and structural.

Once all the required inspections are completed and approved and all the necessary documentation, such as third party inspections, are submitted a final Certificate of Occupancy can be issued and the new building can be occupied.

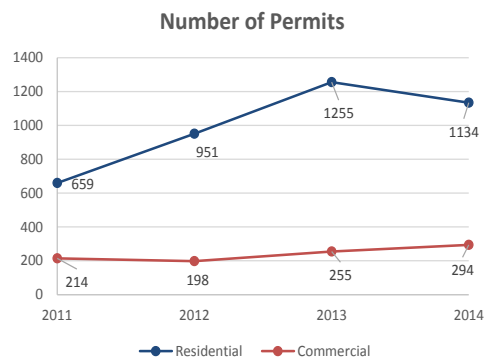
Metrics

The next three graphs show the amount of plan reviews, permits issued and inspections performed by Development Services per year.

Graph-1

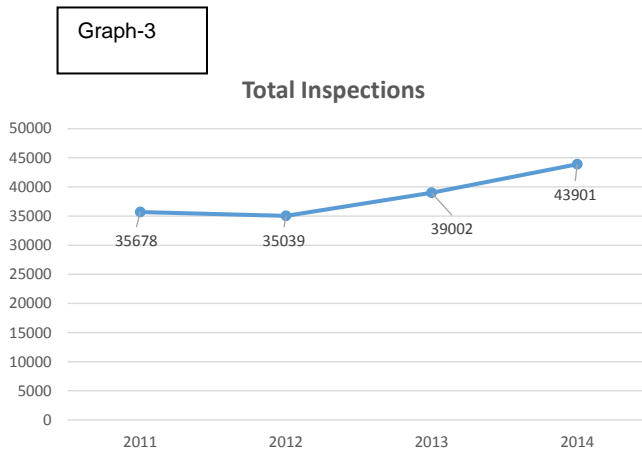


Graph-2



The graph on the left, Average Review Time (Graph-1), shows the average residential and commercial review times in days over the past four years. The graph represents the average number of calendar days that it takes to review plans from acceptance to building permit issuance. The graph on the right, Number of Permits (Graph-2), shows the number of residential and commercial permits issued per year over the past four years.

The goal for residential review is two calendar days and for commercial reviews is fourteen calendar days. The graph shows that residential reviews have improved over the past three years averaging out to two days per review even though the number of residential permits increased by 40% during that same time period as depicted in Graph-2. Commercial reviews are averaging out at about 9 days even though the number of commercial permits increased by 37% over the past four years. Keep in mind that the commercial reviews consist of multiple reviews such as zoning, platting, and fire codes whereas, residential typically only requires one review. The upside is that Development Services has been consistent with reviews for commercial and residential over the past three years. However, with the increase in volumes there is a higher potential for oversights especially on more complex projects.



With the current manpower and the number of permits being issued, Development Services should be able to maintain the goal of two days per review for residual and fourteen days for commercial due to the fact that the number of building permits being issued has flattened out. Overall Development Services is meeting set goals and we have faster review times for both residential and commercial compared to the three cities who have provided information for comparison

(San Antonio, Ft. Worth and Austin). Keep in mind that there are differences for each city on how they track metrics. For example, the City tracks reviews in Calendar days versus working days. For commercial reviews, Austin and San Antonio on only perform building review; Corpus Christi performs building and zoning together.

The graph to the left, Total Inspections (Graph-3), shows the overall number of inspections conducted per year over the past four years. It includes inspections such as new residential and commercial construction, remodels, stand-alone permits, and re-inspections etc. As shown on the graph, we have experienced a steady increase of 23% over the last four years, which coincides with the overall increase in building permits.

Currently Development Services has 12 inspectors and each inspector conducts on average 14 inspections per day. This averages out to about 34 minutes per inspection which includes travel time to and from the inspection site.

The importance of the graph is to demonstrate that both the work needing inspecting and the contractors need to be ready when they schedule their inspections. If the contractor is not ready, due to the limited time per inspection, there may be inspections that have to be rescheduled for the following day. Development Services tries to mitigate delays by allowing the customer to request a time frame for the inspection, thus ensuring that the work is ready for inspection. In addition, inspectors try to call ahead to indicate they will be late. However, if an inspector stays on site too long with one customer, it will impact the rest of the customers waiting for their inspection.

Table-1




| 13. How would you rate the overall experience with the City of Corpus Christi's Department of Development Services with your most recent project(s)? | | | |
|--|---|------------------|----------------|
| | | Response Percent | Response Count |
| Unsatisfactory |  | 22.2% | 40 |
| Satisfactory |  | 59.4% | 107 |
| Excellent |  | 18.3% | 33 |

Table-1 shows the results of one of the questions on a customer survey that was conducted in 2013 by Dr. Dan Jorgensen with Texas A&M, Corpus Christi.

In addition to

Development Services meeting and exceeding its goals, this table illustrates how we are meeting our customers' overall goals by showing nearly 80% of the Customers who interact with Development Services consider their overall experience to be satisfactory or excellent. As a service and compliance oriented department, this is considered a great result in the industry, according to Dr. Jorgensen. In order to make sure we are keeping up with our customer's needs, Texas A&M, Corpus Christi is currently conducting the same survey again to get updated feedback and compare it to last year's survey.

The following testimonials of appreciation are just some examples of how Development Services is meeting the needs of customers. The testimonials show a range of customers from a large project to the smaller so called "ma and pa" project.

Testimonials of Appreciation

"I want to reach out to you because it's rare that I get to write a letter praising the Development Services Division of a city.

All of the planners we have had dealings with from every department have been courteous, extremely responsive, organized and helpful.

My company has developed from Florida to Arizona and nearly every Sunbelt state in between. And this has by far been the most efficient and friendly experience we have encountered" *Geoffrey N. Simpson, CFO / Partner Kaplan Companies (324 unit apartment complex)*

"My Mom and I went to the Frost Bank Office of City Development to ask some basic questions about building a residence on some land we already owned. We were greeted by the most helpful receptionist I've ever encountered! We expected to wait in lines, be sent in circles, and planned for a frustrating experience. We couldn't have been more pleasantly surprised! The receptionist listened carefully to our question then quickly found someone to help answer our questions. We visited with "Marc" for quite a while. He was helpful, courteous, knowledgeable, and friendly. Thank you City of CC for providing an awesome experience to us. We are not contractors, have no experience with this process, and couldn't have been more pleased. Thanks :-)" *barbaracade@.....com*

Although the customer survey and testimonials indicate Development Services is meeting customer's needs, we still have room for improvement. In order to assist our customers and to have consistent and accurate submittals we have implemented (01May15) more detailed check lists. This will allow us to work with our customers to make sure they have a complete submittal before the application is accepted. If the submitted project package is

accurate and complete, then the overall review time can be shortened and the number of revisions limited.

Development Services has hired new personnel to help improve the process of receiving permits. Another improvement is in the area of Project Management, we have increased the number of Project Managers from 3 to 6. This will ensure that all commercial projects have a dedicated Project Manager assigned to them. Additionally, a Fire Code Plans Examiner has been hired to make commercial plan review more efficient.

In an effort to increase overall efficiency, three new computer software systems will be implemented this year. The first system is called *Infor Hansen Community Development Regulations (CDR)*, which is a new system that will be more convenient and efficient to our customers by allowing them to apply electronically for any permit. The second system is called *Bentley (eB Plan Review)* and it will allow customers to provide all their documents electronically, such as drawings/plans, and receive reviews and comments electronically from the Development Services staff. The third system, which was recently installed, is called *Vantage Points (GIS Brower)*, which is a new GIS viewing software that allows our customers to receive more accurate information and maps during the early stages of the development process.

Development Services has had a large turnover of personnel over the last two years. Twenty-two new employees have been hired in the past two years with 11 of the 22 being hired in the past 9 months. In addition, there has been a complete turnover of the Development Services Engineering division in the past 6 months. This has caused some processes to appear inconsistent, which at times has frustrated our customers. We are in the process of bringing the knowledge and consistency up to the same level across Development Services.

Knowing the importance of retaining personnel, actions have been taken to alleviate the high turnover rate such as promoting several internal personnel into key vacant positions bringing over a wealth of historical knowledge as well as positive attitudes. Additionally, we have filled several vacant positions with new personnel, as part of that process, we have hired and continue to seek personnel that have a customer service oriented attitude who are willing to help customers through the somewhat complex development process. Now that we have filled most of the vacant positions, there seems to be emerging an overall job satisfaction and enthusiasm within the department.

To improve the consistency in our processes, the first step is to retain our personnel, the next step would be training. Currently, our Inspectors are studying to be certified in the individual trades and several Project Managers have taken the flood plain management course. They have also begun to prepare zoning cases to be better cross trained. The entire department has taken the "Champions Training" to improve customer service.

In Closing, Development Services continues to be very busy and operates in an intense customer service environment. This has led to a high turnover and the turnover rate may remain because of the continued high tempo. We are focused on making improvements to assist customers with their projects while still meeting the code requirements adopted by the City. The use of the Early Assistance meetings and having customers work through their assigned Project Manager will lead to more successful results.