

# Memorandum



DATE April 17, 2015

TO Members of the Economic Development Committee:  
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano,  
Lee Kleinman, Jerry R. Allen, Scott Griggs

SUBJECT **Development Review Process Enhancement Initiative**

On Monday, April 20, 2015 the Economic Development Committee will be briefed on the Development Review Process Enhancement Initiative.

A copy of the briefing material is attached. Staff will be available at the meeting to answer questions.

Should you have any questions or concerns, please contact me at (214) 670-3296.



Ryan S. Evans  
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council  
A.C. Gonzalez, City Manager  
Warren M.S. Ernst, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Eric D. Campbell, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager

Mark McDaniel, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Sana Syed, Public Information Officer  
Karl Zavitskovsky, Director, Office of Economic Development  
J. Hammond Perot, Assistant Director, Office of Economic Development  
Elsa Cantu, Assistant to the City Manager – Mayor & Council

# Development Review Process Enhancement Initiative

Economic Development Committee

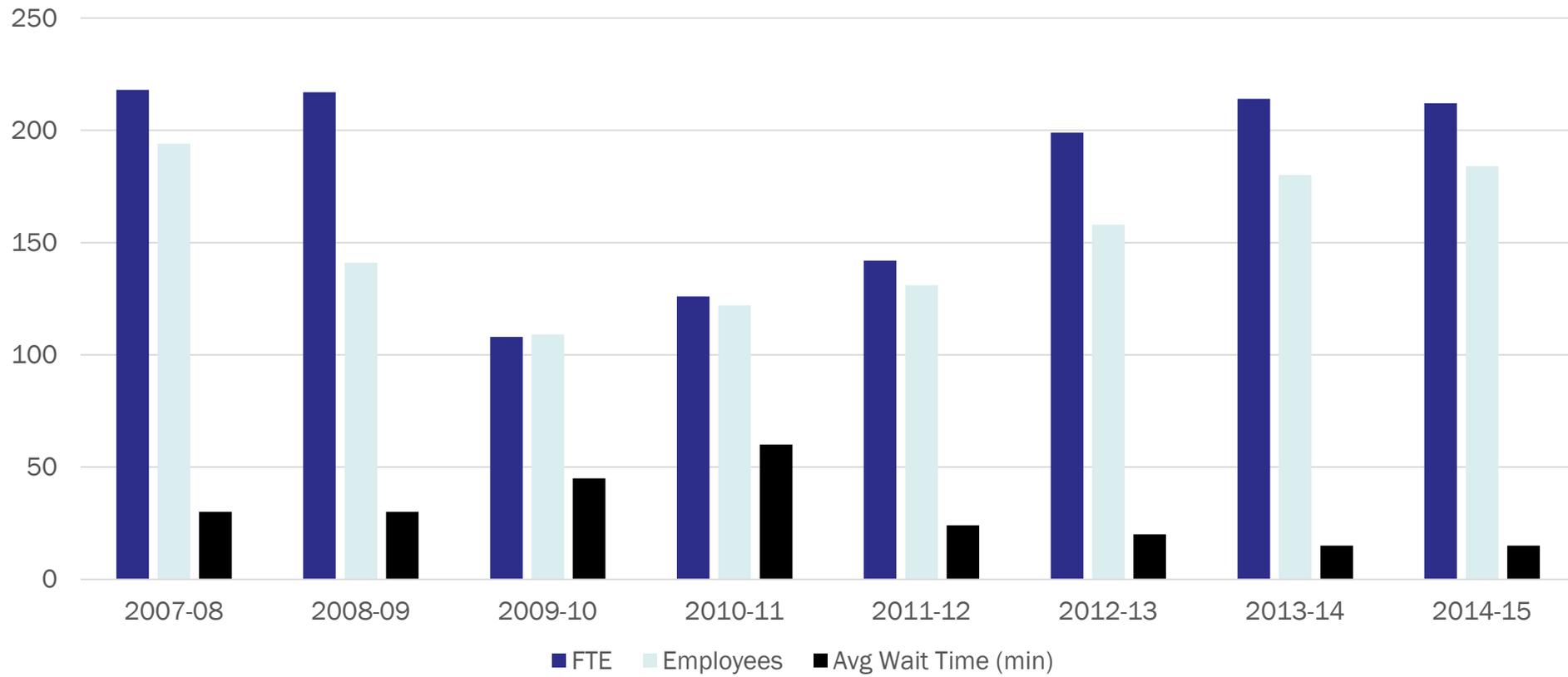
April 20, 2015



# Purpose

- Provide background and perspective
  - Process overview
  - Impact of recession and recovery
  - Service delivery improvements already underway
- Describe origin and scope of Development Process Review Work Group to vet and identify additional issues and opportunities
- Summarize key findings and issues remaining to be addressed
- Outline a recommended course of action and next steps
- Seek Committee feedback and support

# From Recession to Recovery: Building Inspection Staffing



# From Recession to Recovery: Building Inspection Activity Trends

Value of permits issued (in billions)



# From Recession to Recovery

## Accomplishments Since Recovery

- Hiring
  - 41 Building Inspection new hires or vacancies filled FY 2013/2014
  - 29 Building Inspection new hires or vacancies filled YTD 2014/2015
- Multi-year budgeting
  - Permit fees distributed to match project timelines
- Gold Card system implemented for Home Builders
- Q-Team re-established and expanded to 2 teams
- Pre-development meetings formalized to help facilitate development and anticipate issues

# From Recession to Recovery

## Accomplishments Since Recovery

- Electronic Plan Review implementation
  - Available for Q-Team
  - Roll out for additional projects in 4th Quarter
- OCMC remodel underway
- Re-opening of field offices
  - Northwest open
  - Southwest open in May
- Concierge service created to facilitate permitting
- Central files equipment replaced
- Assigned staff to address policy and procedures

# From Recession to Recovery

## Other Technology Enhancements

- Implemented
  - iPads for field inspection personnel
    - MyInspections application
  - QR codes on red tags (customer survey)
  - Dashboard technology (daily tracking of BI activity)
- Nearing completion
  - Electronic Document Management System
    - June 2015
  - Electronic Plan Review System
    - Phase 2: Rollout to other than Q-team reviews: 4<sup>th</sup> Qtr

# From Recession to Recovery

## Challenges

- Hiring
  - Competition
  - Compensation
  - Training
  - Promotion vacuum
- Facilities
  - Adequate and efficient space
  - Quality environment for customers

# Background: Origins of Workgroup

- City has made and is making a number of changes/improvements to enhance Development Review Process but recognizes need for a more holistic approach to process
- Discussions with TREC led to public/private enhancement initiative and creation of a working group to address issues:
  - Desire for process enhancements, more predictability and transparency, as well as better communication (internally and externally) throughout entirety of review process
  - Recognized need for public/private collaboration and larger dialogue to fully vet and identify issues and opportunities
- Outcome of workgroup effort with TREC and industry representatives will be the publishing of a collaborative workgroup report

# Background: Origins of Workgroup

- Representatives from multiple city departments, commercial developers, engineers, zoning consultants, planners, permit expeditors, and attorneys [see Appendix A]
- Meeting regularly since September 2014
- Focused on individual elements of the development process, as well as the overall process
  - Zoning/Current Planning; Building Inspection/Q-Team; Engineering; CityDesign Studio; Real Estate
- Additional separate meetings held with individual developers, architects, contractors, construction trade association representatives, and small businesses in order to further identify and define issues
- Studied best practices from around the country to develop an inventory of model solutions

# Primary Findings

- While many positive strides have been made in vertical construction review and inspection, the development community remains concerned with the overall development review process
- Projects that require multiple processes (zoning, platting, abandonments, construction permitting) are too unpredictable
- Improvement is needed on pre-construction infrastructure and site development review
- Better understanding and coordination on applications that may touch many divisions and departments

# Private Sector Perceptions

- Predictability and transparency need to be improved
- Timeliness of the process does not match expectations
- Consistency of interpretation and application of the rules need improvement
- Inter-departmental coordination needs improvement
- Communication of requirements and expectations would benefit the process
- Lack of procedure for resolving issues

# Public Sector Perspective

- City Staff has multiple layers of responsibility with primary objectives to uphold the City's regulations and protect public safety
- Customer Service
- Code requirements
- Balance various interests [neighborhood, applicant, City's vision] to address private desires with public good
- Staffing challenges following the recession (loss of experienced talent remains an issue)
- Challenges with submittals and review
- Incomplete and inaccurate submittals
- Lack of familiarity of and compliance with the existing regulations
- Lack of communication among applicant team
- Complexities of planned development districts

# Desired Outcomes for Enhancements

- Provide a development review process and regulatory environment that better facilitates desired growth, development, and achieving the City's vision
- Add predictability and transparency
- Improve efficiency and effectiveness
- Improve coordination and communication throughout entirety of review process, both internally and externally

# Where We Are Today

- Improved service delivery for review and approval of vertical construction
- Walk-in wait times in the Building Inspection permit center have been reduced by 41%, from 27 minutes to 16 minutes
- Single-family permit issuance increased 32% over last two fiscal years
- Majority of single-family permits are now issued same day
- Most field inspections now completed within 24 hours
- Preconstruction Infrastructure and Site Development review and approval processes are the primary opportunity areas for improvement
- Includes better documentation on process and procedure
- Developers need enhanced ability to track processes apart from Building Inspection (Zoning Engineering Review, Abandonments)

# Where We Are Today: Internal Status

- 900+ PDs and outdated codes complicate overall review process
- Still somewhat understaffed (increased hires for engineering and survey)
- Pay adjustments will allow City to be more competitive in filling vacancies
- Electronic plan review well received for building permits, but needs to be expanded throughout the review process
- Working to clear backlog of plat reviews
- Many building inspection and zoning process improvements being implemented (Q-team a success story)
- Work group formed to evaluate OCMC space needs
- Interdepartmental meeting instituted to review development-related applications

# Where We Are Today: Outside Perspective

- Accountability for entire spectrum of review process needs improvement
- Need for enhancing communication and documentation on platting and infrastructure issues (disconnect between reality and expectations)
- Desire to publish updated review time targets/develop efficiency metrics to track performance
- General need to improve protocols, checklists and development guide
- Lack of understanding in development community (and within the City) concerning role of the CityDesign Studio and Peer Review process

# Where We Want to Be

- Fully staffed with service-oriented space configuration
- Predictability added to entire review process
- Enhanced use of technology to allow real time customer interaction and overall communication improvements
- Encouragement of collaborative mindset through implementation of project management approach that identifies critical path items and responsible parties at project inception
- Improved transparency through development of meaningful measurement standards and consistent reporting
- Identify needed code amendments

# Where We Want to Be (Continued)

- Internal training/education for staff to improve coordination of applications that touch multiple divisions and departments
- Ongoing program to educate constituency through updated process protocols, development guide and interpretation manual for consistent application of City codes
- Improved internal and external communication
  - Quarterly meetings between City and industry leaders
  - Monthly internal staff meeting with relevant directors and ACMs
- Emphasis on customer-oriented service
- Effective integration of Design Studio and Peer Review function into development review process

# More Strategic Approach Required

- Organization and Culture
- Coordination and Processes
- Communication, Education/Training, and Outreach

# Next Steps: Organization and Culture

## Strategic Initiatives:

- Assemble a *permanent* project management team focused on enhancing development review (3Q FY15)
  - Responsible for the continuation of this initiative
  - Provide comprehensive development coordination to facilitate projects through the entire spectrum of development review
  - Provide feedback loop to identify additional opportunities for enhanced service
- Identify needed amendments to the Development Code for consideration by City Council (ongoing/FY16)

## Key Tactical Actions:

- Fill key vacancies in all departments and hire temporary staffing and/or third party contract personnel to address backlogs (Sept 15)
- Identify immediate space needs as well as functions that benefit from physical proximity (ongoing)

# Next Steps: Coordination and Processes

## Strategic Initiatives:

- Develop detailed implementation strategy focused on pre-development functions (1Q FY16)
- Continue rollout of technology upgrades (ongoing)

## Key Tactical Actions:

- Convene regular summits of ACMs and Directors engaged in development review and approval process (4Q FY15)
- Target focused conversations with staff and development industry regarding Fire protection reviews and inspections (4Q FY15)
- Continued rollout of e-plan review and other technology initiatives including:
  - Improved communication protocols for building permit review
  - Digitizing of archives for engineering drawings
  - Zoning intake log online (also indicating application status)
- Clear backlog of plat review by summer 2015
- Amend Fee Ordinance to add express review option to engineering review and review certain fees (FY16)

# Next Steps: Communication, Education/Training, and Outreach

## Strategic Initiative:

- Development and implementation of communication, education, and outreach strategy (1Q FY16, ongoing updates)

## Key Tactical Actions:

- Form a permanent working group composed of key City Staff and private sector stakeholders to meet quarterly to discuss issues and monitor progress (4Q FY15)
- Create regularly recurring “Development 101” Symposiums
- Establish customer feedback processes (FY16)
- Update real estate brochures, checklists and protocols to provide more accurate timelines and required steps for abandonment procedures (FY16)

# Next Steps: Communication, Education/Training, and Outreach

- **Key Tactical Actions (cont):**
  - Publish updated review time targets and work with Lean/Six Sigma team to develop efficiency metrics to track performance across all departments (FY16/ongoing)
  - Clear articulation of CityDesign Studio/Peer Review function in development review process (4Q FY15)
  - Work with industry representatives to communicate shared responsibility in realizing program enhancements (ongoing)
  - Create a communication and training curriculum geared toward all customers from large to small (FY16)

# Next Steps

- Publish collaborative workgroup report (May 2015)
- Council consideration of a resolution endorsing the outlined collaborative enhancement initiative (see Appendix B) (May 2015)

# Appendices



# Appendix A: Workgroup Participants

## Development Community

- CityPlace
- Corinth Properties
- Masterplan Consultants
- Pacheco Koch
- BDD Engineering
- Kimley Horn
- RLG
- Davis Advocates , representing TREC
- Winstead McGuire
- Jackson Walker

## Internal Departments

- Economic Development
- Sustainable Development and Construction
  - Current Planning
  - Building and Inspections
  - Q-Team
  - Engineering
  - Real Estate
- City Design Studio
- City Attorney's Office

# Appendix B: Proposed Council Resolution

**WHEREAS,** The City of Dallas is one of the national leaders in entrepreneurial pursuits and business creation; and

**WHEREAS,** The City of Dallas has regained economic vibrancy following a national recession and is now part of one of the fastest growing regions in the nation; and

**WHEREAS,** The City of Dallas is experiencing an economic boom from large-scale redevelopment projects in the Downtown core to emerging neighborhoods throughout the city ; and

**WHEREAS,** The City of Dallas should be a leader among its neighboring municipalities as a welcoming, responsive, efficient and cooperative place in which to do business; and

**WHEREAS,** Efficiency, transparency, and predictability of the development process is of paramount importance to encouraging continued growth and economic development opportunities; and

**WHEREAS,** Customer service and a “can do” spirit plays a critical role in the development process; and

**WHEREAS,** An honest, open and continuing dialogue between the public and private sector can result in meaningful improvements to the development process; and

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY DALLAS:**

**SECTION 1.** That the City Manager is instructed to recognize a team including the Real Estate Council and Dallas City staff which will deliver collaborative and constructive recommendations to enhance the development services process at the City of Dallas, and to make recommendations on any actions that would be necessary to implement these findings.

**SECTION 2.** That these two organizations will continue to meet on a quarterly basis to monitor the progress of these recommendations, share best industry and municipal practices, and identify areas of strengths to applaud and weaknesses to improve on an ongoing basis.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage, in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.