



APPROVED
BY THE CITY COUNCIL

MAR 9 1999

OFFICE OF THE
CITY CLERK

4.3

JACK CRIST
DEPUTY CITY MANAGER

NEIGHBORHOODS,
PLANNING AND DEVELOPMENT
SERVICES DEPARTMENT

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET
ROOM 302
SACRAMENTO, CA
95814-2904

ADMINISTRATION
916-264-7598
FAX 916-264-8329

March 2, 1999

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: STAFFING INCREASES FOR DEVELOPMENT SERVICES AND
TECHNICAL SERVICES**

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

The City Manager recommends that the City Council adopt the attached resolution (1) authorizing 18 new full time employees (FTEs) and appropriate budget adjustments for funding 15 additional FTEs in the Neighborhoods, Planning, and Development Services Department, Development Services Division and 3 additional FTEs in the Public Works Department, Technical Services Division for FY 1998/99.

CONTACT PERSON: Jack Crist, Deputy City Manager, 264-5200

FOR COUNCIL MEETING OF: March 9, 1999

SUMMARY:

The current building and construction boom in the City has overloaded the Development Services Division's ability to promptly and adequately provide service. The volume and value of building and construction are expected to accelerate due to the long anticipated lifting of building and construction restrictions in North Natomas. The fifteen additional FTEs in Development Services will allow the Division to maintain an acceptable service level pending the Report of the Mayor's Commission on Development in June 1999. Similarly, the 3 additional FTEs in Technical Services will provide the means for Public Works to accommodate this increased workload.

BACKGROUND:

Historically the City's ability to provide service to the building and construction industry lags behind the building and construction permit valuation curve. During periods of growth, the City is in a catch up mode to match resources with demand. Conversely, during periods of downturn, the City must reduce resources in order to balance the budget.

Attachment A demonstrates that the building and construction industry, as represented by permit valuations, in the City steadily declined from the peak permit valuation of \$510 million in FY 1988/89 to \$195 million in FY 1995/96. The industry recovered slightly through FY 1997/98. The decline and only modest recovery, the overall recession in California, and raids by the State on local government revenue sources, forced the City to reduce the budget. The Development Services Division reduced the number of engineers and inspectors from 51 FTEs to 31 FTEs (Attachment B). Similar reductions occurred in Public Works. The growth through the first six months of FY1998/99 over the first six months of FY 1997/98 was 59.1 percent (Attachment C). In June 1998 the City Council approved three additional positions to staff a satellite office in North Natomas for the expected development in that area.

The permit valuation for FY 1998/99 is currently projected to exceed *\$360 million*. The projection for FY 1999/00 is in excess of *\$400 million*. The growth in permit activity is attributable to the low interest rates, a mild winter, several large projects, and the opening of North Natomas. This significant increase in activity and volume has caused delays in approving applications for permits, customer irritation due to long waiting periods for counter service, increased builder costs, lost jobs in the City and lost City permit and tax revenues. Public counter service delays of over two hours are not uncommon. In most cases, plans submitted for review are not completed within six weeks. Field inspection overloads resulting in inspection carry over occur daily. Staff receives complaints daily regarding the delays and lack of service.

The recommended additional staff will alleviate some of the delays and inability to promptly and adequately provide service for the balance of FY1998/99 and into FY 1999/00. See Attachment D for a summary of the proposed positions and duties.

This is an interim measure pending the study by the Mayor's Commission on Development and Report to the City Council in June 1999. It is anticipated that the Mayor's Commission on Development will address long term solutions for facilitating building and construction in the City.

FINANCIAL CONSIDERATIONS:

The additional positions are fee supported and therefore will not adversely impact the City General Fund. Attachment E provides the projected cost of the additional positions for the remainder of FY1998/99 and for FY1999/00.

POLICY CONSIDERATIONS:

Facilitation of safe and sound building and construction is consistent with the City Council's priorities of economic development, public safety, neighborhood revitalization and enhancement, environmental quality, and fiscal viability and reinventing of City government.

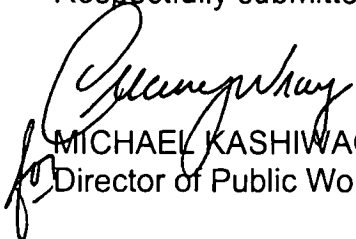
ENVIRONMENTAL CONSIDERATIONS:

Ongoing administrative and maintenance activities which are not for purposes of a public works construction project do not constitute a "project" and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 1506(b)(1), 15378(b)(3).

MBE/WBE EFFORTS:

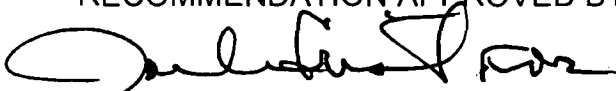
All goods and services for this program will be purchased with a maximum effort to achieve MBE/WBE participation.

Respectfully submitted,


MICHAEL KASHIWAGI
Director of Public Works

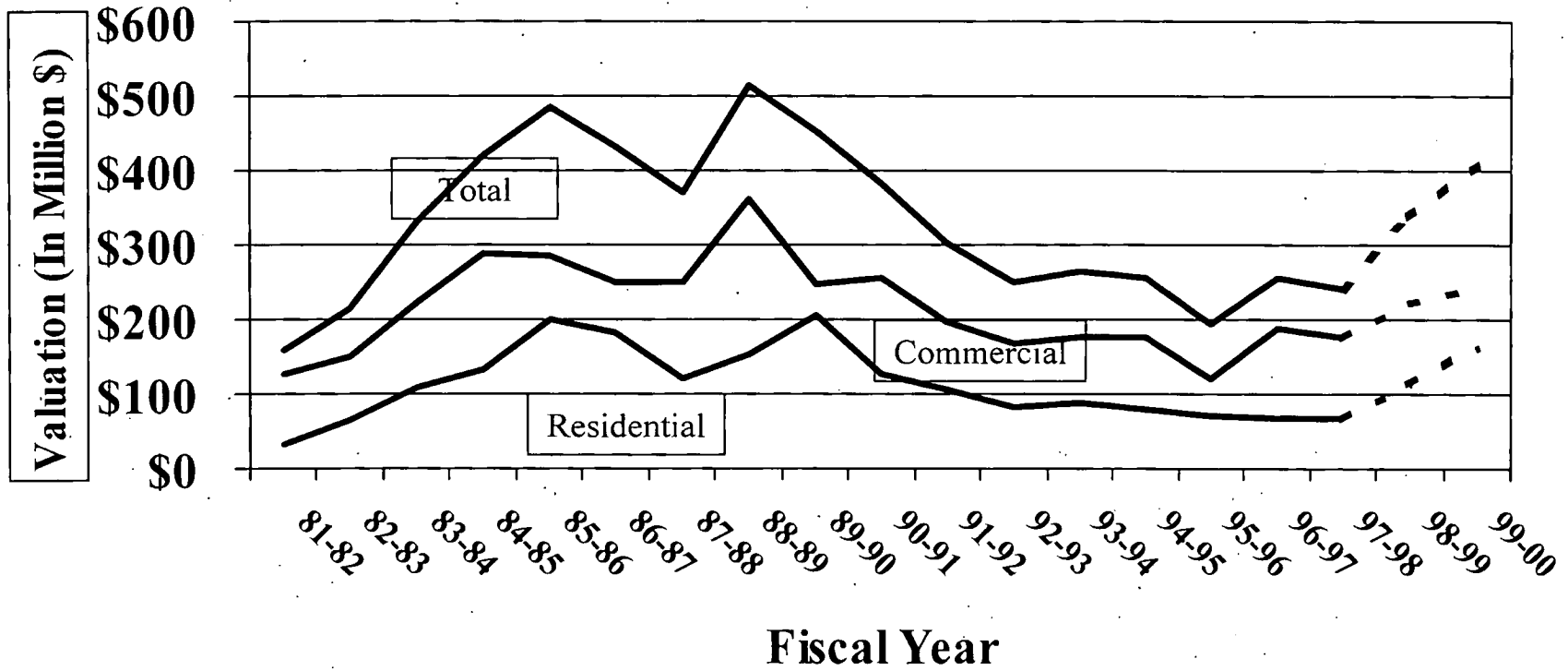

JACK CRIST
Deputy City Manager

RECOMMENDATION APPROVED BY:

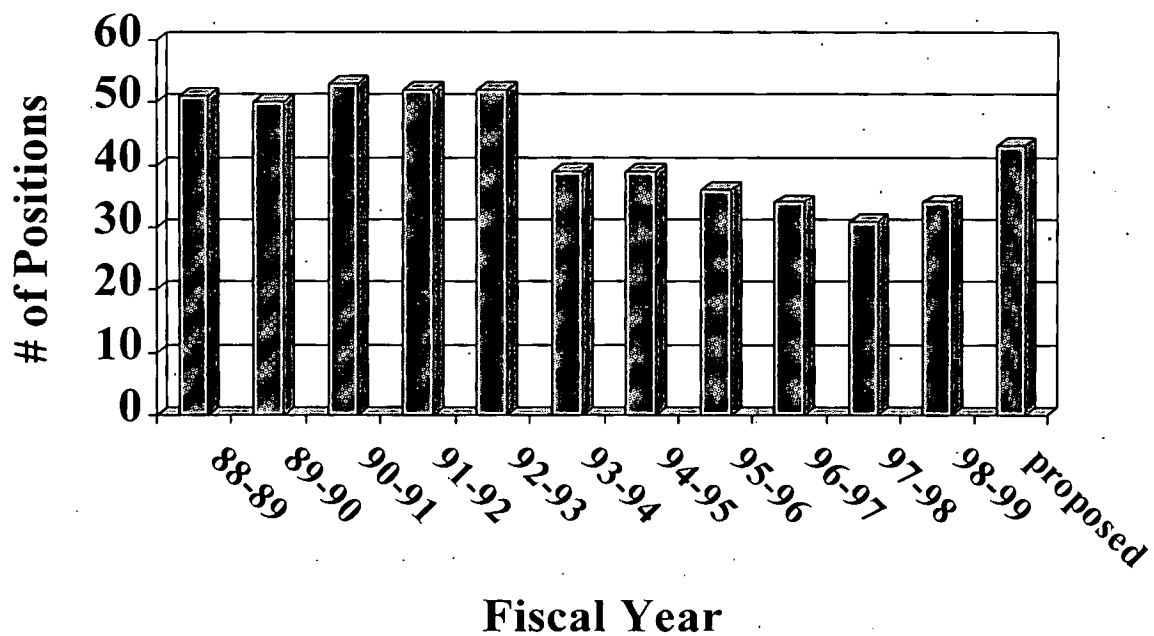

WILLIAM H. EDGAR
City Manager



Construction Activity By Year



Technical Staffing Levels



City of Sacramento

Construction Valuation Report

January-99

Type of Structure	New Construction		Repairs and Additions	
	#	Valuation	#	Valuation
Single Family Dwellings	26	\$3,282,422	555	\$2,771,330
Duplexes	0	\$0	4	\$63,294
Apartment Buildings (3 & 4 Units)	0	\$0	11	\$90,152
Apartment Buildings (5 units & up)	4	\$1,701,690	36	\$311,858
Relocated Residential Buildings	0	\$0	0	\$0
Hotels, Motels, etc...(Transient)	3	\$86,000	2	\$55,000
Other Shelter	0	\$0	1	\$2,976
Amusement & Recreation Building	1	\$181,688	1	\$0
Churches and Other Religious Bld	0	\$0	5	\$267,808
Industrial Buildings	3	\$1,610,415	13	\$184,649
Parking Garages	0	\$0	2	\$45,750
Residential Garages & Carports	0	\$0	1	\$999
Service Stations & Repair Garage	1	\$16,000	3	\$25,999
Hospitals & Other Institutional Bld	0	\$0	3	\$35,599
Office, Bank & Professional Bldgs	0	\$0	65	\$1,829,386
Public Works & Utilities Bldgs	0	\$0	1	\$32,221
Schools & Other Educational Bldg	0	\$0	0	\$0
Stores & Other Mercantile Bldgs	4	\$4,236,634	29	\$743,395
Other Nonresidential Bldgs	3	\$540,358	2	\$40,999
Structures other than Buildings	8	\$219,000	9	\$136,000
Mfg. Housing on Perm. Foundatio	0	\$0	0	\$0
Construction Totals	53	\$11,874,207	743	\$6,637,414

Type of Construction	1998-99 Fiscal Year		1997-98 Fiscal Year	
Residential				
New Construction	218	\$26,936,335	193	\$16,113,523
Repairs and Additions	4,974	\$24,836,749	4,384	\$16,795,166
Sub-total Residential	5,192	\$51,773,084	4,577	\$32,908,689
Commercial				
New Construction	187	\$69,817,871	113	\$41,144,635
Repairs and Additions	1,548	\$45,179,636	1,391	\$36,098,905
Sub-total Commercial	1,735	\$114,997,507	1,504	\$77,243,540
Total Construction				
New Construction	405	\$96,754,206	306	\$57,258,158
Repairs and Additions	6,522	\$70,016,385	5,775	\$52,894,071
Total	6,927	\$166,770,591	6,081	\$110,152,229
Signs	249	\$368,655	357	\$600,590

Dwelling Units	1998-99 Fiscal Year		1997-98 Fiscal Year	
Single Family		190		159
Duplex		16		2
Apartment		32		0
Total		238		161

Requested Positions and Duties

Neighborhoods, Planning and Development Services
Development Services Division
15 FTE

Special Projects Manager: Staff support for the Mayor's Commission on Development. Will assist the Commission in its research and evaluation of necessary changes to the present process. Following the City Council approval of recommended changes, will assist City staff implement the changes. Will monitor the development process and proactively work to avoid future problems in the area of development. Serves as a shepherd for major City development projects. This involves monitoring the progress of projects through the system to avoid unnecessary delays. Currently monitoring Granite Park and all tract residential projects opening in North Natomas. Provides training programs for the Department and City University. Provides other assistance to the Department Director as requested.

Public Counter Manager: Responsible for the daily management of the public counter. Makes certain counter has sufficient trained staff to adequately process normal workload. Coordinates the activity of the five different disciplines involved in providing public counter service. Coordinates resolution of different plan checking requirements that may arise.

Building Inspector III: Will perform plumbing and mechanical plan reviews on commercial construction projects. These reviews require a high level of expertise. New commercial projects submitted in FY1998/99 compared to FY 1997/98 have increased by 65 percent. The estimated new commercial permit valuation for 1999 of over \$200 million will exceed the 1998 total new commercial permit valuation of \$140 million by 43 percent. Currently applicants experience a eight week delay between the time a permit is requested and the actual issuance of the permit.

Building Inspector II (7 FTEs): Two positions will provide additional public counter support to help reduce the lengthy delays in providing service currently experienced. With sufficient staff available many permits can be issued across the counter which will result in faster customer service. In addition, staff will have time to provide pre submission review to make certain plans submitted are complete. This will reduce delays in issuing permits due to the request for additional information. This will also reduce the number of trips the applicant must make to the counter thus reducing congestion. Five positions will augment the field staff. Currently 15 inspectors are available. The average inspector can perform 3,435 inspections per year. In total the current staff can perform 51,525 inspections annually without customers experiencing overload (carry over) delays. During the low construction period of the mid 1990's, the number of inspections averaged approximately 70,000 per year. The estimated number for FY1998/99, not including North Natomas is 90,000. North Natomas could add between 21,000 to 35,000 additional inspections. The additional inspectors will increase the annual inspection capacity by 17,175 for a total of 68,700.

Building Technician (1 FTE): Will perform Site and Sign plan reviews on submitted construction projects. These inspections are currently performed on an as needed basis by Building Inspectors. This is a specialized but not especially difficult task. Assigning this task to the lower level building Technician position will allow the inspectors to perform more field inspections. The addition of the building inspector will add another 3.435 inspections to the capacity. With capacity totaling 72,135, the staffing for field inspectors is 17,865 inspections or 20 percent below the total estimate without North Natomas.

Typist Clerk II (3 FTEs): 1.5 positions will staff the kiosk on the first floor. This will provide printed information and basic “ how to do it” pamphlets regarding the processes to the customers, receive drop off plans, and serve as an information counter for all the functions housed at 13th & I. The other 1.5 positions will help process permits when they are approved and assist in record microfilming and filing. Currently a six month backlog exists for microfilming and filing. This results in service delays in responding to inquiries for past permits. Most of the inquiries are related to questions about home modifications made by parties involved in buying or selling a home.

Administrative Analyst II (1 FTE): Provide coordination to both Planning and Development Services in implementing technology. The new APS system final installation has been delayed due to lack of dedicated staff. Once installation is completed, permits can be tracked by the system. It is envisioned that customers will have access to the information. This will allow an applicant to monitor the status of the application via the web site thus reducing telephone calls or office visits. This position will maintain current information regarding permit information and other matters on the web site. This position will also be involved in the project to allow permit applications via the web site.

Public Works Department
Technical Services Division
(3 FTEs)

Administrative Services Officer (1 FTE) – Will perform a wide range of duties, including supervision, the allocation of annual funds, bond proceeds, and development fees to specific projects, fund disbursement, and overseeing finance related project documents.

Account Clerk II (1 FTE) – Will receive and deposit funds and bill developers for private development projects.

Construction Inspector II (1 FTE) – Will perform site inspection for approved Public Works related construction projects.

PROPOSED BUDGET CHANGE

Title	Full Time Equivalent Positions			Salary Projection	
	Existing	Proposed	Change	98-99	99-00
Building Inspections Manager	1.00	1.00	0.00		
Administrative Analyst I	0.00	1.00	1.00	\$19,932	\$58,001
Administrative Analyst II	1.00	1.00	0.00		
Administrative Technician	2.00	2.00	0.00		
Accounting Technician	1.00	1.00	0.00		
Building Inspector II	17.00	24.00	7.00	\$123,139	\$358,335
Building Technician	3.00	4.00	1.00	\$8,427	\$49,047
Typist Clerk II	5.00	8.00	3.00	\$31,926	\$92,905
Cashier	1.00	1.00	0.00		
Senior Engineer	2.00	2.00	0.00		
Associate Civil Engineer	3.00	3.00	0.00		
Associate Mechanical Eng.	1.00	1.00	0.00		
Building Inspector III	8.00	9.00	1.00	\$18,330	\$53,340
Fire Protection Engineer	2.00	2.00	0.00		
Chief Building Inspector	1.00	1.00	0.00		
Special Projects Manager	0.00	1.00	1.00	\$35,070	\$102,054
Public Counter Manager	0.00	1.00	1.00	\$24,202	\$70,427
Total	48.00	63.00	15.00	\$261,026	\$784,109

FIRST YEAR EQUIPMENT NEEDS

Needs Per Position	Per Position	Total	
Office Space	\$ 2,000	\$ 30,000	
Computers, phones, etc	\$ 2,500	\$ 37,500	
New Trucks	\$ 17,000	\$ 85,000	
kiosk		\$ 5,000	
Total Equipment		\$ 157,500	\$ 157,500
	Total Budget		\$418,526 \$784,109



Operating budget increase for Public Works, Technical Services Division:

Salary/Benefits:

Administrative Services Officer	\$	18,564
Account Clerk II		10,381
Construction Inspector II		14,171
Salary/Benefits Increase	\$	43,116

Services/Supplies:

Office Space	\$	6,000
Computers, phones, etc.		7,500
Truck		17,000
Services/Supplies Increase	\$	30,500

TOTAL BUDGET 1998/99	\$	73,616
-----------------------------	-----------	---------------

MAR 9 1999

RESOLUTION NO.

99-112

OFFICE OF THE
CITY CLERK

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**A RESOLUTION AMENDING THE DEPARTMENT OF NEIGHBORHOODS,
PLANNING AND DEVELOPMENT SERVICES AND PUBLIC WORKS DEPARTMENT
FY 1998 /99 ANNUAL OPERATING BUDGETS TO ADD 15 ADDITIONAL NEW FULL TIME
EMPLOYEES (FTEs) AND 3 FTEs RESPECTIVELY AND RELATED OPERATION COSTS**

WHEREAS, the building activity in the City has significantly increased from the recession experienced from FY1988/ 89 through FY 1997/1998, and

WHEREAS, this increase has caused permit processing delays and inspection delays which has resulted in customer dissatisfaction and lost City revenue, and

WHEREAS, the cost of permit processing and inspections are supported by permit fees, and Whereas, the fee revenue for FY1998/99 is projected to exceed the projected budgeted fee revenue by Over \$700,000, and

WHEREAS, the Neighborhood, Planning and Development Services and Public Works Departments require additional staff to adequately process the significantly increased workload

The City Council hereby resolves to amend the operating budgets of the Neighborhood, Planning and Development Services and Public Works Departments for FY1998/99 as follows:

1. Neighborhoods, Planning and Development Services, Development Services Division operating budget (101-4861) increase for salary/benefits totaling \$261,026 and for services and supplies totaling \$157,500 to fund 15 additional FTE and related operating costs , and
2. Public Works Department, Technical Services Division operating budget (101-3131) increase for salary/benefits totaling \$43,116, for services and supplies totaling \$30,500, and labor offsets from the Private Development Fund (790) totaling \$73,616 to fund 3 additional FTE and related operation costs.

MAYOR

ATTEST:

CITY CLERK

11

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____