Honorale Mayor and
Members of the Sacramento City Council


Location/Council District: Citywide


Contact: William Thomas, Director of Development, (916) 808-1918; Art Gee, Operations Manager, (916) 808-5945; Carolyn Fisher, Staff Aide, (916) 808-8095

Presenters: Marty Hanneman, Assistant City Manager; William Thomas, Director of Development; Michael Malinowski, 2007 DOC Chair; John Nunan, 2006 DOC Chair; Brian Holloway, DOC Commissioner

Department: Development Services

Division: Administration

Organization No: 4811

Description/Analysis

Issue: The City’s Development Oversight Commission is submitting its comprehensive annual report for 2006-2007. The report contains the Commission’s review of 2006 accomplishments and challenges and initiatives for 2007. The Department staff has been working closely with the Commission throughout the year and supports their initiatives for 2007.

Staff believes the Commission has been instrumental in leading and supporting positive changes that have occurred in the City’s development review services. This forward momentum will continue with the new initiatives that are outlined in this annual report. Staff therefore recommends that the City Council adopt the attached resolution. The resolution accepts the 2006-2007 DOC Annual Report including initiatives

April 26, 2007

for 2007-2008 that will assist the City Council, City Manager and City Departments to achieve the goal of leading Sacramento to become “the most livable City in America”. Staff looks forward to fulfilling the Developing Partners initiatives working with the City’s development-related Commissions, Boards and outside agencies.

**Committee/Commission Action:** On March 27, 2007, the Development Oversight Commission unanimously approved the final version of their Annual Report for transmittal to the City Council.

**Financial Considerations:** Additional funds will be necessary to continue implementation of the initiatives outlined in the DOC’s 2006-2007 Annual Report. Funding has not been identified to date, but is being considered in the FY07/08 budget. To continue implementation of DOC initiatives including the annual report, organizational development, surveys, semi-annual Customer Focus Group sessions, Developing Partners workshops and administrative costs, staff recommends an allocation of $195,000.

**Environmental Considerations:** The Development Oversight Commission’s Annual Report is not subject to the California Environmental Quality Act (CEQA).

**Policy Considerations:** The proposed resolution is consistent with the City’s Strategic Plan Focus Areas to promote sustainability and livability and foster economic development.

**Emerging Small Business Development (ESBD):** No goods or services are being purchased under this report.

Respectfully Submitted by: [Signature]  
Art Gee  
Operations Manager

Respectfully Submitted by: [Signature]  
Carolyn Fisher  
Staff Aide

Approved by:  
William Thomas  
Director of Development Services  

Approved by:  
Marty Hanneman  
Assistant City Manager  

Recommendation Approved:  

RAY KERRIDGE  
City Manager  

Table of Contents:  
Report  
Attachments:  
1  Resolution  
2  DOC 2006-2007 Annual Report  

Pg 4  
Pg 5
RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING 2006-2007 ANNUAL REPORT OF THE CITY'S DEVELOPMENT OVERSIGHT COMMISSION AND INITIATIVES

BACKGROUND

A. The City of Sacramento Development Oversight Commission (DOC) is comprised of building industry representatives and members of the public appointed by the Mayor and approved by the City Council to assure follow through of recommendations from the Mayor's Commission on Development that were approved by the City Council on July 20, 1999. In addition, the DOC provides a forum that enables the public and City staff to introduce and to discuss suggestions, comments, and concerns regarding the procedures and processes of the City's development services function.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Council of the City of Sacramento accepts the 2006-2007 Development Oversight Commission Annual Report and recommended initiatives, as follows: 1) develop partnerships through communication; 2) conduct a comprehensive review of and develop a new paradigm for development fees; 3) streamline development regulations; 4) integrate green building and low-impact development policies into development reviews; 5) link economic development and long-range planning; 6) expand MATRIX teams to include outside agencies; 7) adopt and implement International Building Codes; and 8) develop best practices to increase consistency, reduce costs and streamline processing.
CITY OF SACRAMENTO
DEVELOPMENT OVERSIGHT COMMISSION
2006-2007 ANNUAL REPORT
TABLE OF CONTENTS

2006-2007 DEVELOPMENT OVERSIGHT COMMISSION ROSTER ........................................ 3
CITY STAFF LIAISONS TO THE DEVELOPMENT OVERSIGHT COMMISSION ........ 4
LETTER TO MAYOR AND CITY COUNCIL ..................................................................... 5
2006 SUCCESSES ........................................................................................................ 8
2007 CHALLENGES ...................................................................................................... 11
2007 INITIATIVES ......................................................................................................... 15

APPENDIX 1: 2006 DEVELOPMENT SERVICES DEPARTMENT ACCOMPLISHMENTS .......................................................... 20
APPENDIX 2: 2007 DEVELOPMENT SERVICES DEPARTMENT GOALS .................. 24
APPENDIX 3: CUSTOMER COMMENT FORM DATA ...................................................... 25
APPENDIX 4: FOCUS GROUP EVALUATIONS AND DATA ....................................... 27
APPENDIX 5: DEVELOPMENT SERVICES DEPARTMENT EMPLOYEE SURVEY SUMMARY ........................................................................... 30
APPENDIX 6: MISSION, VISION AND GOALS .............................................................. 36
APPENDIX 7: TOOLS OF TRANSPARENCY ............................................................... 37
APPENDIX 8: THE MATRIX ......................................................................................... 39
APPENDIX 9: ORGANIZATION CHARTS .................................................................... 40
APPENDIX 10: DEVELOPMENT SERVICES DEPARTMENT WORKLOAD STATISTICS ............................................................... 42

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2006-2007 DEVELOPMENT OVERSIGHT COMMISSION ROSTER

John Nunan, 2006 Chair
Building Industry Trade Organization Appointee

Michael Malinowski, AIA, 2007 Chair, 2006 Vice Chair
Building Industry Trade Organization Appointee

Roger Valine, 2007 Vice Chair
Public at Large Appointee

Mark Abrahams
Building Industry Professionals Appointee

Holger Fuerst, P.E.
Building Industry Professionals Appointee

Kristina McBurney
Public at Large Appointee

John Packowski, AIA
Building Industry Professionals Appointee

Brian Holloway
Building Industry Professionals Appointee

Bruce Starkweather, AIA
Building Industry Professionals Appointee
CITY STAFF LIAISONS TO THE DEVELOPMENT OVERSIGHT COMMISSION

Marty Hanneman
Assistant City Manager, Office of the City Manager

William Thomas
Director of Development, Development Services Department

Art Gee
Operations Manager, Development Services Department

Carolyn Fisher
Staff Aide, Development Services Department
March 22, 2007


Honorable Mayor Fargo and Members of the City Council:

Over the past few years, the Development Oversight Commission has reevaluated its role in relation to the cultural and process evolution of the City’s Development Services Department. Initially, the Commission played the role of analyst and primary catalyst for change. DSD has come a long way, and now its staff is the primary engine for change. The DOC has found a new focus as a partner, bridging between the public sector, the private sector and the community at large. The excitement generated by DSD’s evolution has created its own momentum; it is an exhilarating time to be part of the process.

At this point every year, we ask ourselves where we can be of service, not only to establish a direction, but to reaffirm whether we still have a role to play at all. This report reviews some of the successes of the last year, and outlines where we believe our efforts are best placed in new and ongoing initiatives. With perhaps its most talented and balanced roster of commissioners since its inception, the DOC looks to 2007 with great enthusiasm.

This is also an appropriate time to pause, look back and reaffirm that we have not forgotten our original charter and goals. We must conduct another comprehensive and objective customer survey that will provide a benchmark assessment of our progress in refining the entitlement, plan review and inspection processes. While we have ample qualitative evidence of success, including great support for the innovative MATRIX program, there are still some questions about the experiences of the novice or occasional customer. Survey results will allow for focus on problem areas that remain.

The DOC also believes that it has a key role as a nexus of communication for the applicant, community, neighborhoods, City staff and the City Council. The DOC’s mission requires the Commission to proactively solicit input from this broad base of Customers and then integrate it into our planning. This effort requires constant reevaluation of our approach. For example, in prior years the traditional method has been to write the annual DOC report and then brief the City Council on the completed document. This year the Council was approached by DOC members before the report was written in order to solicit an evaluation and critique of our activities. This is a subtle difference in procedure but more in line with original DOC principles.
Some of the DOC’s focus areas for the near future include:

1. "Developing Partners" through communication. The DOC plans to work on open communication at all levels: connections with staff through workshops, with the development community through focus groups, with the development-related Commissions through a joint session and follow-up work with the Commissions, with the neighborhoods and broader community through outreach meetings and finally, with the world at large through a development oversight conference likely in 2008 or 2009 which will include best practices programs and partnering opportunities.

2. Acting as a key liaison between the private development community and the City as a comprehensive review and new paradigm for fees for development processing is being conducted.

3. Working with staff and the Commissions on regulatory review i.e. simplifying, and streamlining development regulations in a way that is consistent with broad City policy and vision.

4. Assisting in the integration of Green Building and Low Impact Development policies into development review and processing so that they become routine ways of doing business in Sacramento.

5. Assisting the City in the vision of linking economic development and long-range planning as key aspects in the formulation of the new General Plan.

6. Supporting the expansion of the MATRIX teams to include outside agencies, utilities and jurisdictions critical to the City development process.

7. Supporting Building Division staff in the adoption and implementation of the new International Building Code, which we anticipate will create some unique streamlining opportunities for DSD and its customers.

8. Assisting in development of “Best Practices” marketing tools and programs with all development-related departments to increase consistency, reduce costs, and streamline processing.

Finally, the DOC remains at the service of the City Council, ready to take on responsibilities or challenges as needed.

Sincerely,

JOHN D. NUNAN, 2006 Chair

MICHAEL F. MALINOWSKI, 2007 Chair
2006 SUCCESSES
2006 SUCCESSES

Overview

Since the inception of the Development Oversight Commission (DOC) in 2001, any report on its facilitation of positive strides in the development arena would essentially mirror those successes achieved by the City's Development Services Department (DSD). As noted in the 2005-2006 DOC Annual Report, DSD now flies with its own wings and is its own source for new ideas and process improvements. The DOC and DSD are still vitally connected and synergistic, however the DOC's role in 2006 was more strategic, and focused on completing special projects that had roots in the earliest founding concepts of the Commission.

The Common Sense Policy

The DOC has long recognized that, for DSD processes to be truly streamlined, decision-making has to take place at the appropriate staff level, often times involving frontline staff. In order for this to happen, it is necessary that each staff member be assured that it is acceptable to use common sense in interpreting the letter of the code where it seems to contradict broad City goals, visions or policies. In 2006, the DOC culminated its promotion of this philosophy by receiving City Council approval of the Common Sense Policy. The DSD now has an important tool to empower staff and encourage confident, practical and creative decision-making. The policy is also a symbol of the larger cultural change effort occurring within DSD.

Reorganization of the Design Review and Preservation Commissions

Initiated in 2005, the reorganization of the Design Review & Preservation Board (DRPB) into two separate commissions with new visions and reconstituted membership was truly the DOC success highlight of 2006. The sheer complexity of the task was daunting. An agreement that assured good design and oversight would not be abandoned was crafted among staff, neighborhood stakeholders, current DRPB board members and the City Council. The Urban Design Manager position was created and filled as a prerequisite to the assumption that planning staff could adequately perform more of the design review, enabling the new commissioners to focus on policy development rather than conducting project-focused hearings. DOC members spent countless hours moderating focus group hearings, allaying neighborhood concerns and working individually with Council Members to come up with a plan satisfactory to all. Although the new Design and Preservation Commissions are now in place, the DOC's work with the Boards and Commissions is not complete. The DOC established a focus group in 2006 designed to explore streamlining the City's planning processes. Composed of
DOC members, Planning Commissioners and DSD staff, this focus group seeks to replicate the 2006 achievements with stakeholders.

**Citywide MATRIX**

In 2006 the DOC played a major supporting role in assisting DSD's implementation of the MATRIX process on a citywide basis. In the 2005-2006 DOC Annual Report and in subsequent meetings with each City Council member, DOC commissioners strongly advocated for an expansion of the MATRIX and lobbied for the various fee enhancements needed to pay for it. During the course of last year, the DOC provided review, critique and support that helped shape the program leading to its citywide implementation in early 2007.

**Success in a New Role**

The newly focused strategic role of the DOC in 2006 was displayed in many of the activities undertaken by the Commission and by individual commissioners. Some of these included:

- Providing a preliminary forum to review proposed DSD policies such as those for midtown parking, traffic planning and fee restructuring.
- Commissioner participation in the DSD Steering Committee overseeing the evolution of department processes.
- Commissioner participation in an advisory role in shaping City contract procurement procedures.
- Active commissioner involvement in the development of the General Plan update.
- Commissioners participating in the semi-annual Customer Focus Group forums.

The DOC looks forward to continuing its role as a facilitator of improvements in the development arena in the coming year and beyond.
2007 CHALLENGES
2007 CHALLENGES

Overview

Major successes have been identified and heralded since being proposed by the DOC and implemented by City staff over the past several years. Cultural change, fair and efficient processing and the MATRIX process have been the most notable of these successes. As we look ahead, there are several additional important challenges facing the City's development community that will need to be addressed.

Economy/Market & Budget

The decline in the residential real estate economy within the Sacramento Region has resulted in a simultaneous decline in applications and building permit revenue received by the City. Much of this decline is due to the retraction of many production homebuilders from the market over the past two years. Residential building permits have gone from an annual $544 million in valuation in 2004, to $340 million in valuation 2005 and $487 million in valuation in 2006. However, commercial and retail construction has continued to increase substantially and has offset much of the revenue and development activity impacts associated with slowing residential development. Independent builders have continued to build in the City, especially on infill and previously bypassed locations.

One challenge for the City in 2007-2008 will be in nurturing infill development and providing adequate development opportunities and a comparatively better business-friendly environment as it competes for economic viability with its neighboring jurisdictions. With permit income showing a modest decline from previous levels, the City budget needs to be maintained in order to preserve recent staff improvement levels, prevent staff-level losses, and remain prepared for the return of a robust development economy.

Flood Protection

Another challenge for the City is the recent loss of 100-year flood protection in several of its new growth areas. This combined with FEMA's re-mapping of the Natomas growth area to a lower flood designation (and the resultant restrictions on development there) will result in a multi-year drag on potential development in that portion of the City. This stagnation may curtail planned future-growth area annexations to the City and slow residential development in other existing growth areas as well.
The challenge for 2007-2008 will be passage of SAFCA’s flood assessment measure combined with diligent efforts to obtain the associated State and Federal matching funds for levee reconstruction and stabilization.

Fees

Even during this current residential real estate downturn, outreach efforts with representatives of the development industry resulted in support for current fee levels. Representatives also expressed support for some fee increases, if levels of customer support and expedited processing accompanied those fee increases.

The challenge in 2007-2008 will be to explore alternative fee mechanisms, streamline the fee estimation and payment systems, coordinate fee increases with improved service and maintain communication with industry leaders to monitor performance and fee acceptability.

Technology

Numerous technological improvements have recently been implemented in the Development Services Department, to support the promised “Tools of Transparency” (see Appendix 8). These include wireless field inspections, real-time permitting and web-posting of reports. The challenges for 2007-2008 will be in fully implementing the capabilities of Accela Automation for customers, community and staff, optimizing the “One Voice” development blog and establishing the community “E-Notification” and “E-Plan” submittal systems.

Professional Growth/Leadership

One of the most notable accomplishments of the past few years has been the professional growth and effectiveness of City staff. From “Getting the Customer to Success” to MATRIX, to the overall culture change effort, DSD has received widespread and public, industry and media praise for its improved business and neighborhood relations. Leadership skills will accompany the professional growth of City staff. Evaluation of improvement efforts, along with feedback, quality controls and customer service assessments will be needed to ensure success in staff development and leadership.

The challenge for 2007-2008 will be in continuing and expanding these successes. Enhanced training, career counseling and staff mentoring are several objectives. The larger challenge will be in preparing staff for their increased decision-making responsibilities, especially as many of the review and approval duties of the Design and Preservation Commissions are transferred to staff and the empowerment of staff at all levels is encouraged.
Developing Partners

Coinciding with the changes noted above, the proposed Developing Partners program intends to solidify the partnership relationships among staff, City customers and outside agencies. Creating a unified development team and having it implement a Citywide MATRIX approach will likely be the greatest challenge of 2007-2008.

The Developing Partners program will require other City departments and outside agencies unfamiliar with culture change to begin shedding their traditional roles and independent relationships of the past. Completion of this initiative will become another well recognized success of the City.
2007 INITIATIVES
2007 INITIATIVES

Overview

The DOC's agenda for its sixth year is broad and ambitious. The Commission's role has evolved to that of partner with the Development Services Department staff and accordingly, the DOC acts as both a sounding board and resource. The DOC is already acting as a liaison between the City and the private sector, helping coordinate input from a broad range of entities such as the American Institute of Architects, the Building Industry Association, Chambers of Commerce, the Association of General Contractors, and many others. With the great progress that has occurred in the last two years in both cultural and organizational change, the Development Services Department (DSD) itself has become an internally driven engine for change. Working together with DSD, the DOC will be pressing forward on the following initiatives:

Developing Partners Through Communication

The broad theme of developing partners through communication ties together the work of many of the current efforts underway as well as the future work for the DOC. The DOC will focus on communication at all levels, which is reflected in the following work areas.

- **DOC and Staff Communication**
  At the kickoff meeting for 2007, the DOC hosted a Staff Outreach Workshop that was a major success. It brought together some 100 DSD staff with the DOC, concluding with a lively informal gathering which we believe has helped create links and new ideas for cooperation and collaboration. The Commission intends to host similar events in the future.

- **Coordination between Development-Related Commissions**
  The DOC is in full support of the Mayor and City Manager sponsoring a partnership meeting that will bring together the City Commissions involved in the development process—Planning, Design, Preservation, Code Advisory & Appeals, and the DOC— to work together in understanding how the work of these entities relates to broad City policies and customer service goals. The DOC envisions the meeting will provide an opportunity for each commission to identify how it can operate to implement Council-adopted vision and policy, in ways consistent with the goal of "Getting the Customer to Success". Detailed work plans will be outlined for each commission which will allow it to carry forward progress in the four strategic areas of

  - regulatory reform
  - process streamlining
  - organization improvement for efficiency and transparency
• cultural change

The DOC hopes the session will foster working models for a partnership with the private sector toward a shared vision to make Sacramento the most livable city in America.

In the last several years, there has been much focus on the DOC’s work on the Design and Preservation processes and commissions. This has resulted in major reforms which have recently been implemented. In the coming year, the DOC is planning to work closely with the Planning Commission to review how it works in the context of the broad objectives for efficiency, consistency, and transparency.

• Development Oversight Conference

In sharing the vision to create the most livable city in America, the DOC has begun early exploration of a major conference which would bring together:

• City leadership
• DSD staff
• regional leaders in design, engineering, development and construction
• national entities with interest in working in our community

This conference would approach communication broadly, with sessions ranging from those of local interest such as:
• best practices for development submittals to allow the fastest processing
• fast tracking construction starts for small and major projects
• pre-design brainstorming – getting early information to assess project feasibility
• costing up front – how to pin down development costs before launch
• creative codes - the groundwork for alternatives to code compliance

Topics of broad regional and national interest might include:
• preservation in practice – case studies for success in Sacramento
• shovel ready development opportunities
• partnering with the City to bring together revitalization and business success
• capitalizing on the emerging housing opportunities in the Central City
• economic development case studies that embody “win-win” partnerships

The broad objective of the conference is to create communication links between the City, local, regional and national design/development communities that will lead to new synergy, interest, efficiency and excitement.
The conference would provide:

- the City’s Vision of becoming “the most livable city in America” and what that means
- concrete information on working through the approval processes for success
- nationally known keynote speakers of broad appeal and interest
- opportunities for connections between the private sector and City leaders and staff involved in the development process

The DOC believes this event could occur in 2008.

Regulatory Improvement

The initiative of regulatory improvement has its roots in the very inception of the DOC, and will be continuing with a renewed focus in 2007. We hope to see a new effort in both “pruning the tree” by eliminating unneeded regulations, as well as fine tuning through simplification and focusing on a broad range of regulations. The DOC will work closely with the Development Services Department Regulatory Improvement Team in carrying this torch forward. The team, formed in late 2006, has developed a prioritized Program Guide of potential regulatory projects. The team will present bundles of proposed regulatory improvements to the City Council on a regular basis.

Continuation of Work with Boards and Commissions

In the DOC’s 2005-2006 Annual Report the Commission committed to completing its work with Design Review and Preservation Board (DRPB) to separate the Board into two commissions that would have primary emphasis on policy, program, and guideline development. DSD staff would assume a greater role in project review and approvals. Following completion of its work with the DRPB, the DOC would assume a similar role in working with the Planning Commission and DSD staff to create a more transparent and streamlined approach to project reviews and a greater capacity for Commission policy and program discussions.

The DOC’s work with the DRPB has been completed and work with the Planning Commission, as well as the newly formed Code Advisory & Appeals Boards, and DSD staff has begun. Both the Planning Commission and DOC have members participating in steering committee sessions to organize a discussion process similar to the one held with the DRPB. The goal of the DOC is to have recommendations completed and forwarded to the City Council by the end of 2007.
Professional Growth

The DOC will be working with DSD in its ongoing efforts to create an environment where future leaders are mentored and cultivated within the existing staff. Where it is financially feasible for specific needs the DOC will also work closely with the City to assist in recruitment of top talent.

Green Building and Low Impact Development

The DOC is enthusiastic about the broad implementation of Green Building and Low Impact Development (LID). These strategies include the use of established guidelines such as LEED™ and Build It Green, Smart Growth principles and sustainable design. The DOC will assist DSD staff in identifying methods that promote and encourage broad implementation of these strategies through education and incentives. The DOC also supports DSD’s efforts to educate and train staff to become LEED™ Accredited Professionals.

Fee Streamlining

Sacramento has a history of complexity and contradiction in its fee structure. This impacts the private sector in creating uncertainty as to what costs will be, and consumes much staff time and energy in both determination of fees and the attempt to be consistent and thorough. The DOC believes there is a tremendous opportunity to simplify the broad approach to fees at their most basic levels and is working closely with DSD staff on this bold initiative. The DOC is helping to coordinate the involvement in this process of the broad private sector interests such as the AIA, AGC, BIA, chambers, and other organizations.

Measurement of Progress

The DOC intends to implement a comprehensive customer survey that will allow comparison to the challenges identified in the last comprehensive customer survey done four years ago with the present conditions. The results will be correlated and tied to ongoing City efforts that monitor progress in a variety of other ways, such as those that track customer satisfaction, point of contact surveys, department/customer liaisons, focus groups, and a variety of other efforts that keep us in touch with both the perception and reality of how we are doing.
APPENDICES
1) Appointments made to key leadership positions

The positive direction and reputation of the DSD has enabled the department to recruit and hire highly qualified and talented candidates from the private sector to fill key senior level positions. In 2006 these positions included the Chief Building Official, Urban Design Manager, and Public Information Officer.

2) Prepared staff for leadership positions

Growing future leaders in the department has been an important area of focus. Working in MATRIX teams, making available training opportunities, and empowering staff to make improvements and to be problem solvers has provided the department with a wealth of staff who are ready to step up to the next level.

The department filled 17 entry-level and mid-level exempt management positions in 2006. Thirteen, or 76%, of the positions were filled by promotions of internal staff to these positions.

3) Promoted staff empowerment

DSD focus group customers were asked how the City's Development Services staff could better assist them in achieving success. Empowering staff to be able to make decisions was among the top responses. Actions taken to empower staff include the Common Sense Policy adopted by the City Council, expanding the MATRIX leadership team from 18 to 37 members, and having all managers read the book "To Do or Not To Do", followed by a discussions of the decision-making techniques for empowering staff.

4) Successfully tested MATRIX pilot

The one-year MATRIX pilot began in the Central City area in August 2005. In September 2006, the department reported to the City Council that the pilot was successful based on feedback from customers, industry organizations, and staff participants. The new team approach by product types with Team Leaders produced superior results. Due to the pilot's success, the City Council approved a new fee structure that would fund the MATRIX business approach citywide. An action plan was carried out to ready the launch of MATRIX citywide at the beginning of 2007.
5) Assisted the Development Oversight Commission in achieving goals

The Development Oversight Commission achieved several important goals in 2006. The most significant ones include the change of the Design Review and Preservation Board into two separate commissions with a primary focus on policy, guidelines, and program development. Concurrent with the creation of the two new commissions was the significant delegation of project reviews to staff. Another significant goal was the City Council adoption of the Common Sense Policy drafted by the DOC. This policy is the basis for empowering staff to use their training and experience to make decisions and changes that help improve the city’s development services.

6) Successfully launched new services

To help customers get to success the department launched six new services in 2006. These services included:
  - Introducing a new, cross-trained “Development Services Counter Technician” position. Staff in this class can assist in a variety of areas (planning, engineering, building), eliminating hand-offs to other disciplines
  - Addition of Small Business Night to the current Homeowners Night service
  - Held 10 “Lunch and Learn” sessions for the public and staff
  - Expanded the Facility Permit Program to allow more customers to take advantage of program
  - Completed “expired permit program” to help owners final their permits
  - General outreach to 24 industry organizations and 12 community groups

7) Made significant operational improvements

Every division contributed to implementing improvements to their operations that saved time, money, or both by improved efficiencies. Highlights by divisions include:

Building
  - paperless permit system for inspectors
  - full deployment of “tough books” to provide inspectors with wireless communication from the field
  - plan review checklist for use by customers

Planning
  - use of e-notifications for early reviews
  - conversion of all reports to electronic format
Development Engineering
- allowed contractors, in addition to the owners, to bond for work
- completed three SWAT efforts

Administration
- rollout of Accela Automation

Customer Service
- creation of the new Customer Service Division
- completed 10 “Lunch and Learn” sessions for customers and staff

8) Gained positive feedback

In 2006, the City’s Development Services Department received very positive feedback from a number of sources. These include a customer focus group that the department meets with throughout the year (see Appendix 4), the industry organizations that the department regularly meets with including AIA, BIA, and AGC, customer feedback forms received at the public counters (see Appendix 3), and an annual Business Journal survey ranking local development services agencies.

9) Developed stronger partnerships

The success of providing great development services depends on department and agency staff working together. In 2006 the team building workshops sponsored by the DSD in November were broadened to include more members of other partner departments including Fire, Utilities, Transportation, Parks, Economic Development, and Neighborhood Services. The theme of the workshop was “Developing Partners” and the desired outcome was to build closer working relationships.

10) Achieved getting many customers to success

The department successfully approved over 1,300 planning permits and over 12,000 building permits in 2006. A sampling of projects include:

- Sutter Hospital master expansion plan approval
- Natomas Central Master Plan approval
- Promenade retail center construction
- College Square infrastructure improvements
- commencement of construction of five high rise structures downtown
- commencement of construction of the Rivage Hotel (formerly Captain’s Table)
- Fourth Avenue Lofts
- listing of Sierra Two Community Center as a historic landmark
• New Faze mixed use on Del Paso Boulevard
• Evergreen residential subdivision
• Rapton Honda dealership approval
• 18th and L Street lofts
• MARRS
• 21st Street Brownstones
• Islands at Riverlake
APPENDIX 2: 2007 DEVELOPMENT SERVICES DEPARTMENT GOALS

1) Adopt urban design guidelines

2) Complete major regulatory improvements

3) Implement "Tools of Transparency" and expand use of technology

4) Build stronger partnerships and communication

5) Focus on professional growth as a new initiative

6) Participate in a leadership role to achieve City's sustainability initiative

7) Implement streamlined development fee structure

8) Implement the new International Building Codes
APPENDIX 3: CUSTOMER COMMENT FORM DATA

Surveys are provided to all customers visiting the counter at both permit centers. The survey asks customers to answer the following six questions on a scale of 1 (poor) to 5 (excellent):

1. I accomplished the purpose of my visit today.
2. Services were provided to me in a timely manner.
3. Staff person(s) were helpful and treated me well.
4. Staff person(s) were knowledgeable in answering my questions.
5. The physical facility was clean, well organized, and suitable for my visit.
6. Overall, I am satisfied with the purpose of my visit today.

In calendar year 2006, both counters saw continued improvements in responses, with all answers averaging between very good and excellent. Overall satisfaction at the North Permit Center increased from 4.17 in 2005 to 4.61 in 2006; overall satisfaction at the Downtown Permit Center increased from 3.03 to 4.35. While surveys report higher satisfaction at the North Permit Center, this permit center sees fewer overall customers. The downtown public counter serves a wider range of customers (e.g., code enforcement customers, historic preservation) with more complex issues.
Questions:
Q1. I accomplished the purpose of my visit today.
Q2. Services were provided to me in a timely manner.
Q3. Staff person(s) were helpful and treated me well.
Q4. Staff person(s) were knowledgeable in answering my questions.
Q5. The physical facility was clean, well organized, and suitable for my visit.
Q6. Overall, I am satisfied with the purpose of my visit today.

Ratings:
5- Excellent
4- Very Good
3- Good
2- Needs Improvement
1- Poor
APPENDIX 4: FOCUS GROUP EVALUATIONS AND DATA

Development Community Partnership Meeting
August 31, 2006

Total Evaluations Submitted 19

1. What worked well today?
   - The fact that it was held
   - Participation of senior level staff
   - Overview then discussion
   - Good dialogue
   - Right people invited
   - Stay open (not defensive)
   - Great question & comment dialog...the leadership's mindset
   - Open discussion
   - Good open communication
   - The interaction of the Q & A session
   - With facilitators and senior staff present kept meeting moving forward and staff hears comments
   - Open dialogue
   - Everything
   - Q & A format...adherence to the agenda
   - Casual nature of the conversation
   - The open communication between business community and city staff
   - The senior staff willingness to work out solutions and not only looking at the problem but developing solutions
   - Hearing entire senior management team and beneficial to development community and management team...well organized
   - Good format...comfortable atmosphere...good lunch
   - Open dialogue...willingness on the upper level of management to engage in the dialogue
   - The day...more of them needed
2. How confident are you that the City is on the right track with its plans for further improving Development Services? Please rate on the following scale:
   (1-10: 1=no way 10=Hooray!)

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Average Ranking: 8.74

3. Please explain your rating. (see #2 above)
   - Better communication between depts. i.e. building, traffic, fire but this area still needs a lot of help...traffic needs to be worked at
   - Decisions and communication are very slow (traffic) and often non existent
   - Senior Management's attitude and accessibility
   - Because different people are not on board, interdepartmental mindsets, and middle management are still affecting the effectiveness of this process and ideal of MATRIX...working on people's mindset is difficult
   - Always room for improvement-other agencies must come on board
   - Good leadership...good energy...creative approach to problem solving
   - Because we're seeing the change
   - I've seen improvement in the depts. (Planning, Building, DSD)...look forward to implementation in DOT, DOU which are opposite to what is taking place elsewhere
   - I've been impressed with DSD's proactive, innovative approach to repair a broken operation.
   - I think our leaders of the programs are doing a great job.
   - A good meeting
   - Belief in upper to mid management
   - The goals and visions are clear and useful. Global execution of the process is lacking but that can come in time.
   - We are seeing great things from what has happened so far.
   - Faith in leadership and management team...the fact that we are a part of the process gives great confidence
   - Excellent progress-a lot more work needed, especially in other departments
   - Doing good but there is still some way to go
   - Still need translation to the ranks
4. What ideas do you have for what we need to do to get or stay on track?

- Streamline inter-department communication and get on the same page on projects…often one issue in one department stalls progress
- Good idea to bring SMUD in early and to fast track TI's
- Meet with us quarterly (not more frequently)...encourage lower level staff to return phone calls and e-mails and be part of the solution
- Review staff and management per project...take a look as to why feedback today was a little muddled
- Affordability- now make it happen and sustain it in our community
- Focus on getting one thing done at a time vs. lots of things half-baked
- Continue meeting and listening to input and take action on it
- Get other departments and agencies involved
- Meet more often...feedback/input...electronic feedback
- Keep doing what you are doing...keep in touch with the developers
- Do more meetings
- Project stakeholders participate in all MATRIX meetings
- Bring all departments to the table for authentic participation in MATRIX "ideal"
- More dialog, project reviews by middle-level management with the applicant
- A blog site where we can leave ideas, comments and complaints
- Getting all the line staff involved in every aspect of the project...new culture
- More meetings like this
- Open communication or as you referred "tools of transparency"
- Continued communication, forums
- Continue to move MATRIX throughout the City staff and departments
- Fix the communication between departments
- Make sure all forms are available on-line
- Get more digital
- Visit your "partners"
APPENDIX 5: DEVELOPMENT SERVICES DEPARTMENT EMPLOYEE SURVEY SUMMARY

City of Sacramento
Development Services Department
2007 Workplace Assessment

Project Summary:

January 2007 DSD Workplace Assessment

This study, conducted on behalf of the City of Sacramento Development Services Department by DataCycles from January 16, 2007 to February 2, 2007, requested information from 222 DSD employees through an online survey, of which 197 responded (89%).

The project objectives were to:
1. Create a new set of metrics on DSD workplace attributes and compare those scores to the baseline metrics created in 2005.
2. Compare employee scores by division, gender, length of employment, and supervisory role.
3. Identify key issues and areas for improvement.
4. Gather employee ideas, observations, and suggestions.

The online survey instrument was identical to the one used in 2005, and asked employees to indicate their level of agreement with 42 positive statements. These covered the overall workplace environment (17 statements), the participant's division workplace environment (six statements), the participant's manager (six statements), and the participant's job (13 statements). The statements relating to the overall workplace environment were then divided into three themes: (a) Communication and Teamwork, (b) Customer Orientation and Focus, and (c) Management Effectiveness. Other issues that were measured included factors contributing to job satisfaction, priorities for new programs, and employee loyalty.

At-A-Glance Observations, 2005 versus 2007:

In comparison to the workplace assessment conducted by DataCycles in 2005, what is most notable in 2007 is the near universal improvement in overall average scores ranking the 42 statements about the workplace. No 2007 score was lower than in 2005, only seven were the same, and 35 were higher. One might conclude that the MATRIX program has had a significant positive impact on DSD, although other factors may have contributed as well (new offices, new department head, restructuring of departments and divisions, etc.) The good
news is that the changes made since 2005 have had a noticeable, positive effect on the workplace. Interestingly though, 46% of all respondents say they are not part of a MATRIX team, and another 7% say they do not know if they are part of one.

In looking at the change in average scores by statement (see page 34), the greatest positive changes (.4+) in descending order were:

- The workload in my division is appropriately distributed. (+.6; 3.1 v 3.7)
- DSD provides clear criteria for job advancement. (+.5; 2.9 v 3.4)
- My workload is manageable. (+.5; 3.2 v 3.7)
- There is effective teamwork within DSD. (+.4; 3.5 v 3.9)
- Our employees share a common purpose. (+.4; 3.7 v 4.1)
- Project information is clearly provided to our customers. (+.4; 3.4 v 3.8)

There were 6 statements that showed a +.3 improvement in average scores:

- DSD puts a high priority on customer service. (4.3 v 4.6)
- DSD's management understands my division's needs. (3.3 v 3.6)
- My division performs well in meeting its commitments. (3.9 v 4.2)
- DSD does a good job of allocating its resources. (3.2 v 3.5)
- DSD's management sets an example of good teamwork. (3.4 v 3.7)
- Conflicts within DSD are handled in a constructive manner. (3.2 v 3.5)

There were 10 statements out of 42 that showed a +.2 improvement, 13 that showed +.1 improvement, and seven that showed the same average score as in 2005.

In looking at scores by division, the ones with little or no improvement were:

**Overall Workplace, Management Effectiveness, Operations Division (3.8 v 3.8)**

- My Division, Operations Division, (4.0 v 3.9)
- My Manager, Administration Division, (3.9 v 3.9)
- My Manager, Building Division, (3.7 v 3.6)
- My Manager, Operations Division, (4.2 v 3.8)
- My Job, Administration Division, (4.0 v 4.0)

All other overall scores by division showed improvement.

1. **2005** “Opportunity for Growth” ranked overall as the most important factor for job satisfaction, and “Opportunities exist within DSD to expand my knowledge and skills” ranked second-highest (4.0 avg. score) among the 13 statements relating to one’s job. However, “DSD provides clear criteria for job advancement” was the lowest scoring (2.9 avg. score) out of 42 statements.

2. **2007** “Opportunity for Growth” continues to rank overall as the most important factor for job satisfaction (see page 28), followed by “Relationship with peers”, and then “Relationship with supervisor”. The “Compensation Plan”, “Recognition
of Achievements”, and “Your job title/role” were the three lowest ranking attributes of job satisfaction.

“Opportunities exist within DSD to expand my knowledge and skills” continues to rank second-highest (4.1 avg. score) among the 13 statements relating to one’s job. (“I am willing to go to great lengths to help our department succeed” was highest in both years.) “DSD provides clear criteria for job advancement” was the lowest scoring in 2005 (2.9 avg. score) out of 42 statements, and even though it is still lowest, it has moved up to an average score of 3.4, tying with “I can count on staff outside DSD to meet their commitments (3.4).”

2. 2005 “The workload in my division is appropriately distributed” was the lowest scoring statement in the section about one’s division (3.1 avg. score), and “My workload is manageable” was the lowest-scoring of the 13 statements relating to one’s job (3.2 avg. score).

2007 “The workload in my division is appropriately distributed” showed the greatest improvement overall out of 42 statements, improving from 3.1 to 3.7 average score. The Operations Division was the only one to show a decline in this measurement (3.7 v 3.6). “My workload is manageable” showed the second highest improvement in score, from 3.2 to 3.7. The lowest scores in the statements related to “My Division” and “My Job” were 3.6, which is still a reasonably good score.

3. 2005 Out of four program selections, “Employee-employee shadowing program” received the highest priority by the participants (47%), followed by “Other program” (22%), where training and related aspects (support, mentoring, etc.) was the dominant theme.

2007 “Employee-employee shadowing program” was still the highest priority and increased as a percentage of overall response, from 47% to 55%. “Other Program” fell to fourth place from second, with 8% of the total, and “More department-wide activities and outings” went to second place from third, with 25% of respondents versus 21% in 2005. “More team-building workshops” was at third place with 11%, up from 10% in 2005.

4. 2005 On whether one would recommend DSD as an employer, men averaged 7.2 on a nine-point scale, while women averaged 6.6. On a different 5-point scale women scored “Opportunities exist within DSD to expand my knowledge and skills” a 3.7 on average, while men rated it 4.1. Women rated their workspace as being “efficient for job productivity” a 3.4, while men rated theirs a 3.7.

2007 The overall score on whether one would recommend DSD as an employer went from 7.0 to 7.4, and men averaged 7.6 on a 9-point scale, while women averaged 7.1, both scores improving from 2005. (See page 31). On a different five-point scale women scored “Opportunities exist within DSD to expand my knowledge and skills” 4.0 on average versus 3.7 in 2005, while men rated it 4.1, closing the gap between gender. Women rated their workspace as being
“efficient for job productivity” a 3.6 versus 3.4 in 2005, while men rated theirs a 3.8 versus 3.7 in 2005. The greatest differences in scores by gender in 2007 (.3 or more), were:

- “I am empowered to make decisions appropriate to my job.”
- (women 3.7, men 4.1) (2005, women 3.8, men 3.9)
- “I understand how my individual contributions are linked to my division’s success.”
- (women 4.0, men 4.3) (2005, women 4.2, men 4.2)
- “Communication within my division is open and effective.”
- (women 3.7, men 4.0) (2005, women 3.8, men 3.9)
- “I can count on staff outside DSD to meet their commitments.”
- (women 3.6, men 3.3) (2005, women 3.4, men 3.2)

All other scores were .2 difference or less between genders.

The statements having the largest disparity in 2005 changed in 2007, where the gap between scores closed:

- “Opportunities exist within DSD to expand my knowledge and skills.”
- (2005, (w) 3.7, (m) 4.1; 2007, 4.0, 4.1)
- “My workload is manageable.”
- (2005, (w) 3.4, (m) 3.1; 2007, 3.8, 3.8)
- “I have easy access to the resources I need to be effective.”
- (2005, (w) 3.8, (m) 3.5; 2007, 3.8, 3.9)

5. **2005** Employees who have worked in the department 12 months or less are much more likely (7.8 average out of 9 points) to recommend DSD as an employer, than those who have been with the department for 15-20 years (6.2 out of 9). Employees who have worked in DSD for 2-3 years and 5-10 years scored the next lowest, at 6.7 on average. By division, Planning scored lowest at 6.6 versus Administration and Development Engineering, which both scored 7.3 on average. In general, employees who have been in the department for one year or less scored most aspects of the workplace higher than those who had been in the department for longer periods.

**2007** Whereas in 2005 employees working for 0-6 months and 7-12 months both scored an average of 7.8 out of 9 in how likely they would be to recommend DSD as an employer, in 2007 the 0-6 month group scored 8.1, while the 7-12 month group scored 7.4. The lowest scoring group in both 2007 and 2005 were those who have worked in the department for 15-20 years (6.4 in 2007) but they still scored better than in 2005 (6.2). Notably, the only two groups that scored lower in 2007 than in 2005 were those employed in DSD for 7-12 months (7.8 v 7.4), and those employed for greater than 20 years (7.5 v 6.7).

By division, Planning scored lowest at 7.0, but the score improved from 6.6 in 2005. The highest score was Development Engineering at 8.1, up from 7.3 in 2005. Newer employees (particularly those employed 0-6 months) scored most aspects of the workplace higher than those who had been in the department for
longer periods. Those who had worked in DSD for more than 20 years scored significantly lower than the overall average, and lower than in 2005 almost across the board.

6. **2005** There was at least a .3 difference between the average scores of those who manage people versus those who do not on the following statements:
   - “I understand how my individual contributions are linked to my division’s success” (Supervisors 4.4, Non-supervisors 4.1); “My division performs well in meeting its commitments” (Supervisors 4.1, Non-supervisors 3.8); “I am empowered to make decisions appropriate to my job” (Supervisors 4.1, Non-supervisors 3.8); and “My job makes good use of my skills and experience” (Supervisors 4.1, Non-supervisors 3.8).

**2007** There was at least a .3 difference between the average scores of those who manage people versus those who do not on the following statements, in descending order:
   - “I am empowered to make decisions appropriate to my job.” (Supervisors 4.4, Non-supervisors 3.8) (Diff .6)
   - “My job makes good use of my skills and experience.” (Supervisors 4.4, Non-supervisors 3.9) (Diff .5)
   - “I have received the necessary training to perform my job well.” (Supervisors 4.0, Non-supervisors 3.6) (Diff .4)
   - “Project information is clearly provided to our customers.” (Supervisors 4.1, Non-supervisors 3.7) (Diff .4)
   - “I understand how my individual contributions are linked to my division’s success” (Supervisors 4.4, Non-supervisors 4.1) (Diff .3)
   - “My division performs well in meeting its commitments” (Supervisors 4.4, Non-supervisors 4.1) (Diff .3)
   - “I am willing to go to great lengths to help our dept succeed.” (Supervisors 4.8, Non-supervisors 4.5) (Diff .3)
   - “Opportunities exist to expand my knowledge and skills.” (Supervisors 4.3, Non-supervisors 4.0) (Diff .3)
   - “I feel like I am making a difference working here.” (Supervisors 4.2, Non-supervisors 3.9) (Diff .3)

7. Familiarity with DSD’s operating principles and four strategic areas improved from 43% to 71% choosing “I am very familiar with them”.

8. Some observations from the text comments (subject to reader interpretation):
   - Several comments referenced the MATRIX program directly or indirectly, in terms of an improvement in communication, cross-training, and customer satisfaction.
   - Several saw the need to improve collateral materials and web tools to provide better customer service.
   - Office space was mentioned multiple times, both in the need to be in one place,
better utilization of existing space. Parking was mentioned as an issue.
• Continued training, especially for younger staff, was a theme, as was the need to hire experienced individuals.

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APPENDIX 6: MISSION, VISION AND GOALS

City Council's Vision Statement
(where we want to be as a city)

City of Sacramento Will Be The Most Livable City in America

******************************************************************************

Development Services Mission
(the "business" we're in to accomplish the City's vision)

We Help Build A Great City

******************************************************************************

Operating Principles
(what we stand for and believe in)

1. Get the Customer to Success
2. Promote Safety, Livability, and Economic Vitality
3. Value Our Co-Workers and Customers

******************************************************************************

Measures of Success
(how we'll measure our success)

Put in place a development review process that is:
1. Predictable
2. Timely
3. Clear
4. Seamless
5. A Model For Other Cities

******************************************************************************

Four Strategic Areas
(how we'll get there)

1. Continuing the Cultural Change of the Department
2. Streamlining the Process
3. Promoting an Appropriate Regulatory Environment
4. Provide Career and Professional Growth Opportunities for DSD Staff
What are the Tools of Transparency?
The City of Sacramento Development Services Department Tools of Transparency are Web-based tools to help make the development review process more transparent to all customers. Our goal is to involve, educate, update, communicate with and facilitate all of our customers through the development review process.

Tools of transparency that have already been implemented include:

- Mobile communication and wireless technology for all inspectors.
- Customer education opportunities, including streaming videos of Lunch and Learn sessions available on the DSD Web site (www.cityofsacramento.org/dsd/customer-training/lunch-and-learn/).

Online Permit and Application Search – www.cityofsacramento.org/dsd
The latest Tool of Transparency from the Development Services Department is an online search engine that allows customers, employees, community members and other stakeholders to browse building permits and planning applications that have been submitted to the City of Sacramento. This tool enables visitors to look up specific addresses, permits and planning application numbers, and review information ranging from a property’s permits and planning applications to inspection history for a specific project. Any updates that City staff make to an application appear immediately on the site.

One Voice Sacramento – www.onevoicesacramento.org
One Voice Sacramento is an online “bulletin board” system, which enables any member of the public to read and post comments about development projects and related issues in the Sacramento area. This Tool of Transparency will allow visitors to discuss questions, ideas or concerns about a new project with neighbors, the developer, and other stakeholders in an efficient manner. No content on this site is considered official public comment. To provide public comment, citizens or stakeholders can attend public hearings and meetings or call (916) 808-5666 and ask to speak with the planner in charge of the project in question.

Project Reports – www.cityofsacramento.org/dsd
The Development Services Department has also added reports summarizing recent application activity to its Web site. These reports will continue to be regularly updated and posted to the site to provide clear and timely information about recent development activity in Sacramento.

More Tools of Transparency to Come
In the future, the Development Services Department will implement additional Tools of Transparency, including an electronic notification system regarding project updates, an e-plan submittal tool that will allow real time communication of plan details between developers and staff, and GIS visual demonstrations that will help citizens visualize what their community may look like in the future.
APPENDIX 8: THE MATRIX

[Diagram of the Matrix with City of Sacramento highlighted]
APPENDIX 9: ORGANIZATION CHARTS

Assistant City Manager
Marty Hanneman
Development

Transportation
Jerry Key
Director
- Business Operations
- Street Maintenance Services
- Engineering Services
- Planning/Policy
- Parking Services

Development
William Thomas
Director
- Fire/Life Safety
- Inspection Services
- Current Planning
- Urban Design
- Environmental Planning

General Services
Reina Schwartz
Director
- Business Operations
- 311 Center
- Facilities/Property Management
- Animal Care
- Fleet Management

Utilities
Gary Roens
Director
- Office of the Director
- Field Services
- Plant Services
- Business Services
- Engineering Services
- Solid Waste Services
APPENDIX 10: DEVELOPMENT SERVICES DEPARTMENT WORKLOAD STATISTICS

Total Applications Submitted (Planning)

Total Valuation (Building)
Planning Commission Applications Submitted

Zoning Administrator Applications Submitted