Performance Assessment of the Community and Economic Development Department

RIVERSIDE, CALIFORNIA

matrix consulting group

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1.   Introduction and Executive Summary

Starting in 2015, the City of Riverside initiated a program to provide independent and outside assessments of each City department on a rotating basis every five years. In 2019, the Community and Economic Development Department was slated for review. The Matrix Consulting Group was retained by the City of Riverside to conduct a performance assessment and financial expenditures review of the City's Community and Economic Development Department (CEDD). This assessment was initiated in January 2020.

CEDD includes the following divisions:

- Administration
- Arts and Cultural Affairs
- Building and Safety
- Community Development Block Grants (CDBG)
- Code Enforcement
- Economic Development
- Housing Authority and Office of Homeless Solutions
- Neighborhoods
- Planning
- Property Services
- Successor Agency

The majority of divisions were included in the study except: CDBG; Code Enforcement; Housing Authority/Homeless Solutions; and Successor Agency.

The following sections provide a background of the scope of services, the results of the assessment, and summary of recommendations.

1. Project Background, Scope of Work and Approach

CEDD has undertaken several significant organizational and operational changes over the past several years. To build upon these recent changes, the project team was asked to assess and analyze the following operational areas:

- Strategic Planning
- Organizational Structure (consolidation, outsourcing, succession planning, staffing levels, project management, etc.)
- Economic Impact – Special/cultural events, permitting practices, business attraction/retention, and revenue generation opportunities.
- Fee Calculation and Collection practices
- Asset Management (real property inventory/management)
- Programs and Services

- Management Systems
- Interdepartmental Communication and Collaboration
- Service Effectiveness – benchmarking, best practice evaluation, and key performance indicators
- Compliance with applicable local, state, and federal regulations.

In addition to the performance assessment for the previously mentioned areas, the team was tasked with conducting a financial expenditure review related to the use of overtime and compliance of non-personnel expenditures with professional services and maintenance/service contracts.

The performance assessment began in December 2019. The scope of work was accomplished through the completion of the following activities:

- **Interviewed City staff:** The project team met with representatives from applicable CEDD divisions to gain an understanding of the current staffing, organizational structure, and operational practices.

- **Developed a Descriptive Profile:** Based upon interviews with staff and data collection efforts, a profile was developed outlining the current staffing levels, and the organizational structure of each division. This profile is attached to this report as an appendix.

- **Collected and Reviewed Workload Data and Performance Metrics:** Based on the 11 areas of analysis, the project team developed and distributed a data collection list. Workload and performance indicators were provided for applicable divisions and subsequent analysis was conducted.

- **Projected Workloads and Staffing Needs:** Based on the data collected and interviews with each department, the project team completed a workload and staffing analysis. Workload and staffing needs were projected in five year increments.

The assessment was completed based on the requested operational parameters and recommendations were developed based on current and future challenges. Recommendations were made through the current and future financial outlook of the City based on the impacts of Covid-19 during the first half of 2020.

2. Key Strengths

CEDD is a wide encompassing department that includes a variety of functional and operational areas. Each of these areas have their own operational strengths that should be used as a foundation to improve operations moving forward. The following strengths should be highlighted within the current operational and organizational approach of CEDD.

- Operations across the diverse divisions are relatively well-coordinated under a unified mission.

- There are strong lines of communication from Divisions to Department leadership.

- There is a system of clear reporting of division and departmental activities and performance that tie in: city-wide priorities, departmental-wide priorities, and division/staff activities and accomplishments.

- The division excels in community engagement through its Neighborhoods and Arts programs.

- Successful implementation of a one-stop permitting counter/center through the Streamline Riverside program.

- Dedicated unit that processes the City's acquisition and disposal of city owned property, access agreements, and rights-of-way.

- Operations includes a Fiscal Unit that focuses on providing financial services to the Department in coordination with the City's Finance Department.

As the points above indicate, CEDD is already meeting a variety of best practices.

That said, the Department does face a number of challenges:

- Despite management's best efforts, the wide range of somewhat disjointed functions under one department can make it unruly to manage as a single entity.

- For staff in individual divisions, it is sometimes difficult to know what is happening across the department given the wide range of activities.

- The span of control and size of divisions is inconsistent, creating a management challenge and making it difficult to weigh priorities across the department.

- Although the city has a strong quarterly performance report, much of the reporting done by divisions within the department focus on activities and workload (how much work are they doing) as opposed to performance (how well are they doing it). Although Building does provide permitting turnaround and inspection reports that focus on performance metrics.

- Two divisions are led by the Director or Deputy Director which creates some management challenges and consistency with organizational structure.

Overall, CEDD functions well and serves the community in a cohesive fashion and provides a high level of service to both internal and external customers.

3. Summary of Recommendations

Based on the project team's assessment and analysis, there are a variety of recommendations for each topic covered in this assessment that are discussed in detail throughout this report. The following table consolidates the recommendations in the order they are presented in the report and by functional topic. Many of the recommendations may require additional funding, filling of vacant positions, unfreezing of vacant positions, and additional actions that are outside CEDD's control.

Summary of Recommendations

#	Recommendation	Implementation Time Frame	Priority
	Organizational Structure Analysis		
1	Standardize the supervisor title in Arts and Cultural Affairs, Economic Development, Neighborhoods, and Real Property Services to Manager. This will require a combination of reclassification of titles/ranks for the division supervisor.	2023	Medium
2	Move the duties of the City Building Official from the CEDD Deputy Director to the Building and Safety Division and create the position of City Building Official within the division.	2022	High
3	The CEDD Director should not be the Division supervisor for Real Property Services, the Supervising Real Property Agent position should reclassify to a Manager.	2022	High
4	Explore combining the Neighborhoods and Arts and Cultural Affairs divisions to take advantage of commonalities (community involvement, grant making, and culture).	2022	High
5	In Building, reclassify one of the Senior Plan Check Engineer positions to Principal Plan Check Engineer to align with the organizational structure of the Inspection Unit and Planning.	2023	Medium
6	In Building, reclassify a Permit Technician position to Senior Permit Technician or Supervisor to align with the recommended organizational structure.	2023	Medium
7	Consolidate all grant research and application for CEDD (except CDBG) with the creation of a Grant Writer. The Grant Writer should report to the Fiscal Manager.	2024	Low
8	CEDD leadership should work with Human Resources to develop and implement a succession plan for key positions. The succession plan should include the identification of key individuals who are eligible to participate in the program. The five year goal should be a robust succession planning program that is open to all CEDD employees.	2024	High
9	Expedite the succession planning efforts for transitioning supervisory responsibility from the Director and Deputy Director for Real Property Services and Building and Safety. This will include formalizing a plan for both divisions over the next 12 to 18 months.	2022	High
10	Identify the primary and secondary back up staff members for the Public Information Representative position.	Completed in 2021	n/a

#	Recommendation	Implementation Time Frame	Priority
11	Issue a request for proposal to develop a broader pool of contracted providers for building plan check services and building inspections. Additionally, a pool of contracted planners should be developed. Both pools would be available to augment current services during peak workload times or to fill temporary staff vacancies.	2022	High
12	Evaluate the feasibility of outsourcing more property management services to private service providers.	2023	Low
Economic Impact Analysis			
13	Transfer the processing of Special Event Permits; Block Party Permits, and Film Permits to the Planning Division.	2022	Medium
14	Transfer responsibility for accounts payable for The Box to the Finance Department.	2022	Medium
15	Upon selection of an Economic Development Division Manager, work with this manager and staff to create and implement a more cohesive and clear mission for the department.	2023	High
Fee Calculation and Collection			
16	Create a fee estimator on respective webpages so that the public may generate an estimate related to submitting and obtaining permits.	2023	Medium
17	Link a copy of the fee schedule on each divisional webpage for easy public access.	2021	High
18	Identify fees on the fee schedule which fees require a technology and general plan maintenance fees.	2022	Low
19	CEDD should ensure pass through fees are adequate to cover the cost associated with processing the applications for non-CEDD operations.	2022	High
20	Establish enterprise funds for Building and Safety and Planning fees.	2024	High
21	Consider a deferred revenue fund for building permits to ensure adequate funds are available in future fiscal years to cover inspections.	2025	Medium
Asset Management Analysis			
22	Increase collaboration between Real Property Services and General Services staff who manage the maintenance of City property and facilities. This includes using the same software solution.	2021	High
23	Incorporate Real Property Services staff in major city projects earlier in the planning and due diligence stage.	2021	High
24	Real Property Services staff should be included in the development review process for applications that will include access agreements, city accessed utility agreements and right-of-ways.	2022	Low
25	Develop standardized forms to request services from Real Property Services.	2023	Medium
26	Real Property Services and General Services should develop and implement a real property asset management program over the next 18 months.	2023	Medium
Programs and Services Analysis			
27	Incorporate sustainability and climate change regulations into the city's development ordinance and review applications for compliance.	2024	High
28	Expand Real Property Services involvement earlier in the private development review process and the City's capital planning process. Proactively manage the City's real property assets.	2022	Low

#	Recommendation	Implementation Time Frame	Priority
29	Implement a focus group between the local development community and City development review staff to proactively engage these individuals with a goal to discuss challenges, review potential changes, and develop a stronger relationship between parties.	2022	Low
30	Provide a current development project map that provides a high level summary of development projects under review, permitted, and under construction. A link to the current project map should be on the Engage Riverside homepage and accessible from Building and Safety and Planning webpages.	2023	Medium
31	Expand the role of the Neighborhoods Division to assist other divisions in civic outreach.	2022	High
Communication and Collaboration Analysis			
32	Develop and implement a communication plan and strategy to provide consistent communication between leadership, staff, divisions, and customers.	2022	Low
33	Create standardized templates and forms to encourage consistent dissemination of information between staff and the public.	2022	Medium
34	Real Property Services should develop a city owned parcels database that may be eligible for use by other CEDD and City operations.	2023	Medium
Performance Indicators			
35	Standardize the division performance reports by identifying key performance metrics and appropriate status updates. Each division's report should include similar information and utilize the same template.	2022	Medium
36	Revisit performance reports with each division, focusing on identifying metrics that are Smart, Measurable, Achievable, Relevant, and Time-Bound.	2022	Medium
37	In conjunction with implementation of new software for Building and Planning, ensure that the system includes a way to automatically generate reports that provide meaningful information about how the permitting and building process are working for applicants, beyond whether individual disciplines are meeting their own performance targets.	2022	High
38	Create a more formal feedback mechanism so that staff are kept up to date about activities and planned changes within the department.	2022	Low
39	Arts and Culture should develop and track occupancy and financial performance of their facilities.	2023	Low
40	Economic Development should expand the number of key performance indicators they track to provide a more robust analysis of their business recruitment and retention efforts.	2022	Medium
41	Neighborhoods should formalize metrics to track community engagement efforts and benchmark their performance with adopted goals.	2022	Medium

2.　Strategic Planning Analysis

Strategic planning takes on many forms in local government operations. For this assessment the project team will focus on the following key areas: core mission; visioning; strategic prioritization; accountability; and performance management. Several additional areas that typically fall under strategic planning such as succession planning, staff

development, and project management are assessed in other sections of this report. Aligning with specific tasks in the request for proposals.

The following matrix provides context on where divisions are meeting the core strategic areas and opportunities for improvement.

Goal	Admin	Arts & Cultural Affairs	Building & Safety	Economic Development	Planning	Property Services
Mission	✓	✓	✓	✓	✓	✓
Visioning	✓	✓	✓	✓	✓	✓
Strategic Prioritization	✓		✓		✓	
Accountability	✓	✓	✓	✓	✓	✓
Performance Management	✓	✓	✓	✓	✓	✓

The following sections will provide analysis and address opportunities for improvement.

1. Mission and Vision Analysis

CEDD has adopted a mission statement that can double as a vision statement. On the CEDD webpage, the mission statement is:

"The Community & Economic Development Department is committed to the highest level of public service through neighborhood enrichment, arts, innovation, safety in our built environment, and economic growth that collectively improves the quality of place for our community."

Each division also has its own mission statement that guides the staff's primary work tasks. Staff interviews indicated that staff are aware of their division and departmental missions and utilize them as a guide for their core operations. Each division in CEDD has a dedicated purpose and fulfill a specific role. Management best practices indicate that employees perform best when they understand how their work contributes to a broader mission; for the most part this analysis found that CEDD successfully creates an environment that fosters this sense of purpose.

Most divisions also interact frequently with other CEDD divisions, other City departments, and the general public. A review of the divisions indicates that each one's mission and purpose is clear both internally and externally. Furthermore, there is sufficient information on the respective division's webpages related to specific roles and responsibilities.

CEDD includes several divisions that are not traditionally organizationally located under Community and Economic Development, in particular Arts and Cultural Affairs and Real Property Services. However, the department has done a good job of finding a way to align these divisions with the broader mission of the Department:

- Arts and Cultural Affairs focuses on developing a sense of community and enhancing the experience of the community by acting as a catalyst for arts, entertainment, and cultural experiences. This mission is accomplished through a variety of City partnership with arts and cultural partners. These efforts have resulted in vibrant arts and cultural programming efforts that have positive life and financial impact for the City and their residents. Furthermore, Arts and Cultural Affairs assist with various permitting efforts related to the arts, filming, and special events that may occur in the City.

- Real Property Services (RPS) is a unique division that focuses on the procurement (or disposal) of City-owned land. RPS provides a wide variety of services and works with both City staff and private developers on acquiring appropriate parcels or right-of-way/easement agreements related to both city and private development. Their mission statements highlights the importance of the service they provide to both city and private operations. RPS, while not a traditional division to have under Community and Economic Development, aligns with the overall mission of CEDD.

While it is not uncommon for Economic Development to be included under the umbrella of Community Development, there is some room for clarification between the mission of the CEDD's Economic Development Division and that of the Mayor's Office, which is also involved in efforts to attract, retain, and expand businesses in Riverside.

2. Strategic Prioritization

The department has clear strategic priorities and assembles information related to progress towards meeting its goals on a quarterly basis. This information feeds into a city-wide performance report which highlights key accomplishments as well as performance metrics. The CEDD's strategic goals in the city-wide report are provided below:

- Build and grow local partnerships to support tech and entrepreneurship, stimulate local investment, sustain vital infrastructure, tell the unique Riverside story and focus on a place based economic development strategy.

- Develop the local food and agricultural economy.

- Promote and maintain a safe and desirable living and working environment.

- Achieve consistency between General Plan land use designations and zoning map designations.

- Accomplish Successor Agency Disposition.

- Integrate neighborhood based outreach.

- Enhance the customer service experience through One-Stop-Shop, Plan Check processing, Development Review Committee, software applications and other streamlining initiatives including BUILD Riverside.

- Create a more resilient Riverside through public outreach, education and training.

Overall, the CEDD and the City of Riverside as a whole are unusually strong in their strategic planning and prioritization process and the department's strategic prioritization process works well.

One recommended change is to more broadly refine the goal related to permitting. The term "enhance the customer service experience" is somewhat vague, especially given the complexity of obtaining planning and building permits and the many disciplines involved. It also does not address the underlying reasons for permits as related to land use, infrastructure development, and safety. A stronger goal would be to: "provide an efficient, predictable, and consistent permitting process while protecting the city's built and natural environment."

Some enhancements to performance measurement improve the department's tracking of progress towards meeting its goals. These are discussed in greater detail below under performance management and in Section 10, Performance Indicators.

3. Performance Management

Strong organizations maintain data related to key workload metrics for their operations. Performance metrics and management include routine feedback mechanisms for acquiring data, but more importantly monitoring and augmenting operations based on the information received.

Each CEDD division submits a weekly performance report related ongoing projects, key new business development or high profile actions from the previous week. The intent of these weekly reports is to provide CEDD administration with updates related to each division's key tasks and status update. This weekly update ensures that the department management is aware of important current and planned activities across its many divisions, and has an opportunity to provide input or guidance where needed. However, there are a few areas where CEDD can improve their weekly reports.

- In many cases the reports are more a measure of workload than of performance; they provide an indication of what the divisions are doing but not how well they are doing it.

- Each division has a unique reporting format. Many reports are narrative only and do not include tables, charts, or other graphics.

- Many of the reports included information for projects/tasks that have been previously closed out and are not active. In review of the reports, some information was several years old and the project had been completed and appeared to be no longer relevant.

- Each report presented a wide range of information, and the type of information was inconsistent. Some reports provided detailed information for the status of each task of a project, while others provided only summary data for previous activities. Also, some reports indicated project next steps and associated dates for the projects, while other had no relevant milestones.

- Length of the report: weekly reports varied greatly in the length of the report, some reports were a few pages long and others exceeding 60 pages.

- Intent of the weekly report: Some of the reports truly focused on workload metrics from the previous week, while others were essentially a status report of our current projects.

Creating a consistent format and standardizing expectations on the contents of the report would allow department leadership to obtain a better snapshot of what is going on across divisions, including how well they are performing, and without extraneous detail.

- Clearly define what information is expected in the report and what level of detail should be provided.

- Identify the key performance metrics that should be tracked and reported.

- Define the stylistic format of the weekly reports and provide a template that each division should follow.

- Ensure only relevant information is provided in the reports. Previous or completed projects should not be included in the report.

- Utilize consistent level of data that is at a summary level versus detailed level (unless requested). Incorporate links to the shared network (or software program) where administration can access more detailed information if desired.

- Consider transitioning to less frequent reporting (e.g. every two weeks or once a month) to reduce the time commitment of staff required to compile the report.

- Incorporate next steps or important upcoming dates for major projects that Administration should be made aware of. E.g. Planning Commission date for a high profile development project, implementation date of new software program, etc.

The above recommendations focus on how the department's management oversees performance on a day to day basis. Related to this is what performance metrics are used to measure success, allocate resources, and establish goals. Section 10, Performance Indicators, discusses this topic in detail.

While the division reports are relatively effective in providing information from divisions to management, some staff indicated that they often feel uninformed about department-wide activities or about planned changes to the department. This may indicate some difficulties in communication between the CEDD executive team and front-line staff. It should be noted that communication practices have changed during the Covid-19 pandemic and that some of the communications issues may have been resolved during the course of this project.
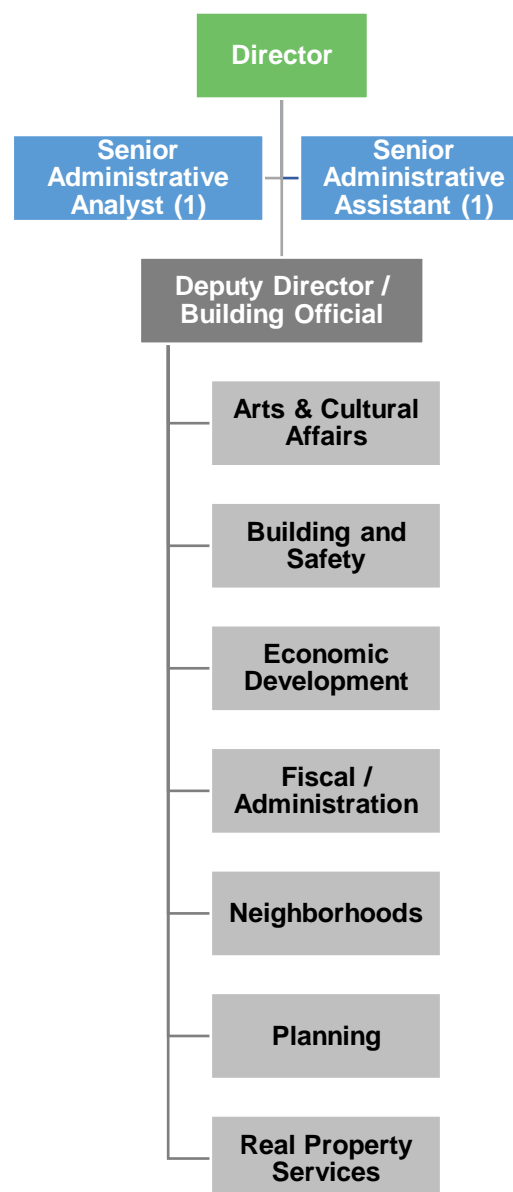
In addition to the performance reports that each division compiles, CEDD Administration should consider creating a formalize feedback mechanism to share with staff. Similar to incoming division reports, management should establish a uniform approach for implementation of new operating procedures, policy and procedure updates, etc. that are clearly disseminated department wide. Communication is discussed in greater detail in Section 9 of this report.

> **Recommendation: Create a more formal feedback mechanism so that line staff are kept up to date about activities and planned changes within the department.**

3.   Organizational Structure Analysis

This section of the report will assess the organizational structure of CEDD and analyze the feasibility of consolidation of administrative functions, opportunity to outsource certain functions/services, succession planning, and structure of respective divisions.   It is important to set the framework for future analysis and understand the current organizational structure of CEDD. Note: the following chart only shows the divisions included in this study.

**Community and Economic Development
Department Organizational Structure**

```
                        ┌──────────────┐
                        │   Director   │
                        └──────┬───────┘
          ┌────────────────┐   │   ┌──────────────────┐
          │ Senior         │   │   │ Senior           │
          │ Administrative ├───┼───┤ Administrative   │
          │ Analyst (1)    │   │   │ Assistant (1)    │
          └────────────────┘   │   └──────────────────┘
                        ┌───────┴──────────┐
                        │ Deputy Director / │
                        │ Building Official │
                        └───────┬──────────┘
                                │
                    ├── Arts & Cultural Affairs
                    │
                    ├── Building and Safety
                    │
                    ├── Economic Development
                    │
                    ├── Fiscal / Administration
                    │
                    ├── Neighborhoods
                    │
                    ├── Planning
                    │
                    └── Real Property Services
```

The project team completed a comparative analysis to compare Riverside's CEDD organizational structure to other Anaheim, Bakersfield, Chula Vista, and Santa Ana. Each of these jurisdictions have a similar population to Riverside.   The following table summarizes the functions that are located under community development or development services departments.

Comparative Assessment of Similar Departmental Structure

	Riverside	Anaheim	Bakersfield	Chula Vista	Santa Ana
Administration	✓	✓	✓		✓
Arts & Cultural Affairs	✓				
Building & Safety	✓	✓	✓	✓	✓
Code Enforcement	✓	✓	✓	✓	✓
Economic Development	✓		✓		
Fiscal	✓				✓
Neighborhoods	✓	✓		✓	
Planning	✓	✓	✓	✓	✓
Property Services	✓				
Successor Agency	✓				

Comparing Riverside's Community and Economic Development Department, it is clear they have several additional functional areas in the department when compared to the four peer communities. Bakersfield was the only peer entity to include Economic Development with their development services operations.   The other three peer communities included separate community development departments that incorporated economic development, housing, successor agency, and neighborhood services in a consolidated department.

The following table summarizes the budgeted positions by various divisions and functional areas included in this study. The table does not account for vacancies.

Comparative Assessment of Budgeted Staffing Levels (FY 20)

Function	Riverside	Anaheim	Bakersfield	Chula Vista	Santa Ana
Population	**330,063**	352,005	383,579	271,651	332,725
Administration / Fiscal	**7.5**	**10**	**4**	**8**	**20**
Planning					
Admin	6	3	1		1
Plan Review		12	5	7	2
Current Planning	12	5	4		
Advanced Planning	6	5	4	7	
Historic Preservation	1				
Business Assistance					
Land Development				7	

Landscape Architecture				6	
Total	**25**	**25**	**14**	**27**	**15**
Code Enforcement					
Admin	5	6	2.5	1	2
Enforcement	22	29.5	24	8	18
Water Quality Enforcement		5.5			
Housing Inspections		3			
Total	**27**	**44**	**26.5**	**9**	**20**
Building					
Admin	2.5	4	3.5	2	1
Permitting	5	9		11	8
Plan Review	6	5	11	6	
Inspections	8	18	11	8	14
Total	**22**	**36**	**25.5**	**27**	**23**
Economic Development	**6.5**	**2**	**6**	**4.5**	**6**
Community Development		**3**	**8**		**2**
Neighborhood Development	**4**			**7**	**4**
Arts and Culture	**6**			**0.5**	**1**
CDBG	**4**	**3**	**2**	**2**	**4**
Real Property Services / Successor	**5**	**3**		**1**	**4**
TOTAL	**106**	**126**	**86**	**86**	**99**

The total number of staff was provided for each functional areas in Riverside. Riverside has the second highest number of total employees for these functional areas. Anaheim has the most total staff assigned to these areas and has the second highest population of the peer cities. It should be noted that some challenges exist for some operations as Real Property Services has dedicated staff (5) in Riverside, which is often ancillary duties in other agencies. The staffing numbers presented above are only used to show the difference between peer entities and not used as a baseline of staffing needs.

1. Division Management Analysis

The first area that the project team analyzed was the management of each division. The following table summarizes the supervisory structure/title for each division.

Division	Supervisor Title
Arts & Cultural Affairs	Senior Project Manager
Building and Safety	Deputy CEDD Director
Economic Development	Manager (Vacant)
Fiscal	Manager
Neighborhoods	Project Manager
Planning	City Planner
Real Property Services	CEDD Director

Most divisions have different titles (or ranks) for their respective supervisor. Moreover, Building and Safety and Real Property Services are supervised by the CEDD Deputy Director and Director, respectively. Finally, in Neighborhoods, the title of Project Manager is also used elsewhere in the Division for other staff who do not have the same supervisory responsibility. There are several challenges related to consistency in supervisor titles.

The organizational structure and titles/ranks should be similar throughout an organization, especially in government organizations. Furthermore, it is important that ranks and titles be consistent in individual departments. For Division leadership, the titles should be the same for all CEDD divisions. Noting that some titles might be different but have the same responsibilities such as Building Official and City Planner, which may be statutorily defined. Management noted that division leadership titles may not be consistent, but the pay scales are generally the same pay range.

To create a more consistent title structure between divisions the following recommendations are made:

- **Arts and Cultural Affairs:** Retitle the Senior Project Manager to Manager to better align with the other divisions. Moving forward, ensure that the title of Project Manager is used to reflect a job description of managing specific projects.

- **Building and Safety:** The City Building Official should be the manager of the division. The City Building Official should not hold the rank of Director or Deputy Director, except on an interim basis as needed. This would require creating the position of City Building Official in Building and Safety or reclassifying the Assistant Building Official to City Building Official. *Note: this is discussed in greater detail in the succession planning subsection.*

- **Economic Development:** The long term vacant Manager position should be filled to provide clear direction to the Division. The rank of Senior Project Manager should be renamed to reduce the potential conflict of the use of "manager" within the division, since they do not supervise staff, only specific projects or tasks.

- **Neighborhoods:** Currently there are two positions that are classified as Project Manager in the Division. Both positions have similar duties, however one position is currently vacant. A clear Manager position should be identified and the terminology of Project Manager should be limited in use and focus only on management of projects. In the event that Neighborhoods and Arts and Cultural Affairs divisions are combined, the Manager position would be a consolidated position. This is discussed in greater detail in a subsequent paragraph.

- **Planning:** The rank of City Planner is appropriate for the lead staff member of the Planning Division. This is a common term used in California and elsewhere to indicate the lead/manager in a City's planning department.

- **Real Property Services:** Currently, the CEDD Director serves as the supervisor of this division. This approach is not consistent with other divisional leadership in the Department. Also, the current organizational structure includes a Supervising Real Property Agent, which has supervisory duties over other staff in the division. The position of Manager should be created to lead the division. This would require reclassifying the Supervising Real Property Agent position to Manager.

Based on the above points there are several title and organizational changes to be implemented in CEDD to ensure consistent leadership titles between divisions. Furthermore, it is important to remove the Director and Deputy Director from having direct oversight of the Building and Safety and Real Property Services Divisions. Implementation of these recommendations will better align with better practice and consistent organizational structure within all CEDD Divisions.

An additional consideration is the widely varying size of divisions within CEDD and whether the department would be more manageable with fewer divisions. One area to explore would be combining the Arts and Cultural Affairs division and the Neighborhoods division, as they have a number of overlapping functions. These divisions play an important role in CEDD but given their small size may not be getting the attention that they deserve.

Changes to job titles and descriptions would require coordination with Human Resources. Promotions or demotions of staff should be at the discretion of management and Human Resources or as positions are vacated.

Recommendations:

Standardize the supervisor title in Arts and Cultural Affairs, Economic Development, Neighborhoods, and Real Property Services to Manager. This will require a combination of reclassification of titles/ranks for the division supervisor.

Move the duties of the City Building Official from the CEDD Deputy Director to the Building and Safety Division and create the position of City Building Official within the division.

The CEDD Director should not be the Division supervisor for Real Property Services, the Supervising Real Property Agent position should reclassify to a Manager.

Explore combining the Neighborhoods and Arts and Cultural Affairs divisions to take advantage of commonalities (community involvement, grant making, and culture).

| 2. Organizational Assessment of Building and Safety and Planning |

Of the CEDD Divisions included in the performance assessment, only Building and Safety and Planning include subunits or teams. Building and Safety includes the Plan Check, Inspection, and Permits/Administration Units. Planning includes two teams: Current Planning/PIZA and Advance Planning/PIZA Administration. However, the organizational composition varies by unit and between division.

In Planning there is a clear hierarchical structure in both teams. Each team is led by a Principal Planner, followed by a Senior Planner, Associate Planner, and Planning Technician. The Principal Planner classification is the same as a supervisor in other units. The rank and classification of planners is similar to other planning departments in California.

In Building and Safety, only one unit has a Supervisor assigned, and that is the Inspection Unit, which is also the largest. The Inspection Unit has a clear delineation of duties between staff and an embedded supervisory. The Inspection Unit is similarly organized to the Planning Teams and includes three levels of staff (Supervisor, Senior Building Inspector, Inspector I & II's).

The Plan Check Unit includes two Senior Plan Check Engineers which oversee the operations of the Senior Plans Examiners and Plans Examiner Staff but are not classified as a Supervisor. In order to organizationally align with the Inspection Unit and Planning, one of the Senior Plan Check Engineers should be reclassified as a Principal Plan Check Engineer. While maintaining the classification of Senior Plan Check Engineer, Senior Plans Examiner, and Plans Examiner.

In Permits/Administration there is no clear hierarchy, and all staff report directly to the Assistant Director/Building Official. This unit should reclassify a Permit Technician position to Senior/Supervisor Permit Technician or create the position of Supervisor for the Unit. This organizational structure will better align with the Inspection Unit and Planning teams. This change may require a new employee classification to be created by the City.

Creating a consistent organizational structure will better serve the Building and Safety Division by providing clear direction and duties to staff. This will create a consistent hierarchy for the classification of employees and better outline supervisory roles and responsibilities. Furthermore, it will provide additional career advancement opportunities for all Building and Safety Units and the organizational structure will better align with other multi-team CEDD divisions.

Recommendations:

Reclassify one of the Senior Plan Check Engineer positions to Principal Plan Check Engineer to align with the organizational structure of the Inspection Unit and Planning.

⋮ **Reclassify a Permit Technician position to Senior Permit Technician or Supervisor to align with the recommended organizational structure.**

3. Consolidation of Administrative Functions

This specific task examines ways in which CEDD may consolidate administrative operations.

CEDD has a solid foundation of coordinated and consolidated administrative activities already. Currently, the majority of administrative and financial activities already occur in the Administration and Fiscal section of CEDD. Similar to other City Department's each department has an independent financial team that oversees all financial transactions for the Department and administratively manages awarded grands.

In addition to the Fiscal Unit, there are two administrative positions assigned to CEDD Administration. Currently, the Senior Administrative Analyst serves as a liaison between the Department and City Human Resources by assisting with staff recruitment and onboarding of new hires.   Second, this position also assists with workload and performance analysis and reporting. Finally, the position also assists Fiscal staff with the annual budget preparation and monitoring.   Also, there is a Senior Administrative Assistant who supports the Director and Deputy Director and provides administrative support to CEDD staff as needed.

In addition to the Administration and Fiscal team there are support staff in the Building and Safety and Planning divisions. These two staff provide administrative support to their respective operations. Moreover, the Project Assistant serves as the clerk to the Planning Commission, Historic Preservation Commission and Cultural Heritage boards. Due to the unique requirements of these commissions/boards it is common practice for the respective Clerk to be housed with Planning. The allocation of administrative support in these two divisions is ideal and provides a high level of service to staff and the public.

One function that should be considered for consolidation is the grant writing function. It is the understanding of the project team that each division is responsible for finding and applying for grants that may supplement their operations. Due to the size and complexity of the functions under CEDD, a consolidated grant writer may provide increased benefits.

Many organizations have a dedicated individual to finding and applying for grants. A dedicated grant writer allows for one staff member to solely focus on finding and applying for grants versus being an ancillary duty for divisional staff. Grant opportunities often require repetitive information, specialized training, or are often include cumbersome applications. By dedicating one individual to grant research and application will increase the likelihood of the City receiving the grant and is more efficient than having multiple people submit grant applications across the various divisions. CEDD already administers awarded grants through Fiscal and therefore it would be feasible to incorporate a grant

writer in the fiscal unit to focus on finding and applying for grants in CEDD. *It should be noted that Community Development Block Grants (CDBG) will not fall under this position as they have their own funding program and CDBG should be a standalone program with assistance from Fiscal as requested and needed.*

To encourage a successful implementation of a consolidated grant writer for CEDD, the Department should create a comprehensive grant strategy in collaboration with each division. This will ensure that the staff members and division leadership utilize a consistent approach in applying for and administering grants moving forward. Alternatively, all grant writing functions for the City may be consolidated to provide a comprehensive and consistent approach to grant research, writing, and administration.

Recommendation: Consolidate all grant research and application for CEDD (except CDBG) with the creation of a Grant Writer. The Grant Writer should report to the Fiscal Manager.

4. Succession Planning Analysis

Succession planning is a key goal that proactive organizations have successfully implemented. Succession planning helps ensures that staff are readily training and available to step into their next role, in the event of staff absences or turnover. More importantly, succession planning equips staff to be the next generation of leaders in an organization.

Based on interviews within the various divisions, it was clear that CEDD has limited succession planning. During the course of this study, the Department has trained staff to serve as backups to key areas such as the Public Information Representative (Greeter). There are additional areas where cross training and back up support would be beneficial to CEDD.

Another identified area of weakness was the lack of a succession plan in the Finance Division. Given the great complexities of the financial transactions in CEDD, including hundreds of payments for permit fees, penalties, and grants, the CEDD has a dedicated Finance Division that works closely with other divisions in the department and with the City's Finance Department. This division works smoothly with a clear, appropriate separation of duties to ensure appropriate management of payments and receipts. All staff have current desk manuals that outline policies and procedures for accounts payable and receivable and other transactions. However, staff in the department indicated that they lack the knowledge to fill in for the Fiscal Manager and that without the Fiscal Manager many functions might have to revert back to the city's Finance Department.

Based on these findings it is recommended that CEDD work with the City's Human Resources Department to develop a succession plan program. Key elements of a succession plan should include:

- Identification of key positions that require succession. This should include all positions that require relief staff and leadership positions.

- Identify key individuals and position types that have demonstrated the knowledge, skills, and interest to develop additional responsibility. This may be completed through individual assessments that identify employee's gap and weaknesses resulting in a tailored approach for mentoring each employee.

- Understand the requirements for each position that has a succession plan and incorporate the requirements/skills into the appropriate job description. Also, a checklist may be developed to ensure staff learn the appropriate skill set before they are allowed to succeed the current staff member.

- Outline and build employee competencies and skills required to be successful in fulfilling key roles. Identified staff members should first show they have grasped the key competencies for their current position before building skills for future positions.

- Institute a leadership skills program for staff. Before an individual is promoted, they should have received basic leadership skills. Upon promotion, supervisory training should be provided to help the staff member excel in their supervisory role. Training is critical for first time supervisors.

- Implement a monitoring program and feedback loops for mentors and mentees to receive periodic and standardized progress reports.

- Succession planning should be embraced and promoted by leadership from the Director down.

There are many benefits for succession planning. The primary objective is to manage staff and embrace a purposeful approach to mentoring, guiding, and developing their staff to broaden their professional and personal horizons through training resulting in an organization that all employees know their mission and strategies to achieve success. Additionally, succession planning generally results in higher engagement from employees who are more likely to stay with the agency longer, and greater productivity from staff. Finally, it outlines a strategy for staff interested in seeking leadership roles and the steps to get there.

In addition to creating a succession plan for the entire Department, it is critical that Administration develop a succession plan for moving the oversight of Building and Safety and Real Property Services Divisions from the Deputy Director and Director, respectively. As recommended in this report, these two divisions should include supervisors who are organizationally located within their respective division.

During discussions with administration, it was indicated that the there was a three year plan to transition the Chief Building Official duties back to the Building and Safety Division.

However, there is no formal plan developed or in place. This plan should be developed and implemented over the next 12 to 18 months to expedite this transition. The current Assistant Building Official / Director already supervises the various functions within the Division and may possess the skill set needed for transition.

Over the next 12 months a transition plan should be developed to fully move oversight of the Real Property Services from the Director to the Supervising Real Property Agent. A 12 month timeline is provided to allow a plan to be developed, implemented, and if training is required it can be identified and provided. CEDD has started this in early 2021.

CEDD should develop and implement a succession planning program for key positions within the Department. This is important to provide staffing with the necessary training to assist in other positions, but more importantly develop the leadership and technical skills of staff. This is critical for many positions due to the competitive nature of the recruiting and retaining staff.

> **Recommendations:**
>
> **CEDD leadership should work with Human Resources to develop and implement a succession plan for key positions. The succession plan should include the identification of key individuals who are eligible to participate in the program. The five year goal should be a robust succession planning program that is open to all CEDD employees.**
>
> **Expedite the succession planning efforts for transitioning supervisory responsibility from the Director and Deputy Director for Real Property Services and Building and Safety. This will include formalizing a plan for both divisions over the next 12 to 18 months.**
>
> **Identify the primary and secondary back up staff members for the Public Information Representative position.**

5. Outsourcing Analysis

One way for local government to augment their staffing resources is to outsource certain activities and functions to private entities. Outsourcing can be both for as-needed services or full time staffing needs for a wide array of services. Often times agencies will outsource specialty or technical positions that are not available through city personnel or for services that a full time position is not required. Currently, CEDD provide services through contracted service providers in the following areas:

•   CEQA review.

•   Historic Preservation review.

- Building Inspection (as needed)

- Real Property Services (Appraisal, Environmental Assessment, acquisition, relocation, property management, and broker leasing services as necessary).

- Management of some performing arts facilities, in particular the Fox Center, Live Nation and The Box theater.

These contracted services are utilized to provide the CEDD with capacity and subject matter expertise that is not available from staff. The only exception of this is for Building Inspection, which does include augmenting staff periodically as the workload requires.

Due to the financial impacts of Covid-19 and the unknown continuous budgeting shortfalls that may be forthcoming over the next few fiscal years, it is important to analyze the potential ways to effectively augment City staff and services. Outsourcing particular functions and workload allows the City to maintain the desired level of service and better accommodate the fluctuations in workload by only paying for the services rendered. Outsourcing provides the ability for the city to adjust their staffing levels when the workload is the heaviest, but also lowering the services when workload demands decrease. With the unknown fiscal impacts of the Covid-19 pandemic, outsourcing is a great interim step to filling frozen or vacant positions for special projects or workload peaks.

Areas where CEDD may consider incorporating contracted services include the Building and Safety and Planning Divisions. Many jurisdictions in California outsource development review functions through the use of contracted plan checkers, building inspectors, and planners. The use of contracted services may be beneficial for these two divisions as there are several vacant positions that may not be filled in the foreseeable future. This may be an important interim step in the event that the City begins to move closer to not meeting adopted turnaround time for their services. The intent of contracted services is to maintain the applicable service level in a financial prudent manner. However, due to the fact that both of these divisions are generally self-sustaining by the fees charged and collected for the services provided it may not necessarily save the City. The following positions may be considered for outsourcing:

- Plan Check Engineer (All Levels)

- Plans Examiner (All Levels)

- Building Inspector (All Levels)

- Planner (All Levels)

Outsourcing may be through one or more companies that can provide contracted services/staff. Ideally, the City would pre-qualify a set of companies to provide these services in the event that workload increases and they need additional staffing resources

in short order. Second, the City may utilize outsourcing or contracted services in these areas to provide expedited development application review versus utilizing internal staff for overtime plan check services, which are paid for by the applicant.

In Real Property Services, one of the Real Property Agents serves as the property manager for city owned facilities that are publicly leased. This position is also responsible for oversight of the private property management company that is responsible for the management of selected city owned facilities. Opportunities may exist to expand the property management services to encompass a larger portion of the City's real estate portfolio.

A total of four opportunities exist to outsource some services to private entities. This includes building plan check/review, building inspections, planning, and property management services. It is recommended that the city issue a request for proposal for on-call contractors for building plan check/review and inspections and planning services. Creating a pool of potential contractors that can assist with providing development review services during peak times or augmented services during staff vacancies. Second, CEDD should complete a cost estimate to compare the cost and level of service associated with property management services.

Recommendations:

Issue a request for proposal to develop a broader pool of contracted providers for building plan check services and building inspections. Additionally, a pool of contracted planners should be developed. Both pools would be available to augment current services during peak workload times or to fill temporary staff vacancies.

Evaluate the feasibility of outsourcing more property management services to private service providers.

6. Effectiveness of Development Review Staffing Levels

The City requested an analysis of current staffing levels related to development review. This includes analysis of staffing levels in Building and Safety and Planning for those positions that are tasked with conducting development application review, permitting, and inspections.

Building and Safety has the following number of positions dedicated to development review operations:

- Plan Check

    - Senior Plan Check Engineers (2)
    - Senior Plans Examiners (1)

- Plans Examiner (3)

• Inspections

- Supervisor (1)
- Senior Building Inspector (2)
- Building Inspector II (4)
- Building Inspector I (1)
- Contract Building Inspector (0.5)

• Permit Technicians (4)

Overall, a total of 18.5 staff provide development review and inspectional services for the City of Riverside.

In fiscal year 2018/2019 a total of 5,372 master permits were issued, 6,050 plan checks completed, and 53,615 inspections completed.

The following assumptions were made to access the adequacy of current staffing allocations:

• 90% of the inspections were conducted by Building Inspectors. The other 10% of inspections were completed by non-Building staff (e.g. Fire, Code Enforcement, Planning, subject matter consultants, etc.).

• Staff are available to work 225 days per year when incorporating training requirements, days off, etc.

• Inspectors average 25 inspections completed per day. Assuming some locations require multiple inspections per stop.

• Plan checks average 1.5 hours per application submittal.

• Processing a permit application for initial acceptance through permit issuance requires 1 hour per permit issued.

The following table summarizes the staffing calculations for Building and Safety.

Staffing Calculation Table

Task	Plan Checks Completed	Permits Issued	Inspections Completed
Number	6,050	5,372	48,254
Time Per Activity	1.5 hours	1 hour	25 per day
Total Time Required	9,075 hours	5,372 hours	1930 days
Time Available	225 days	225 days	225 days

Staff Required	5.0	3.0	8.6

A total of 5 plan check staff are needed based on the plan check workload only. However, this calculation does not take into account attendance at DRC meetings, meeting with applicants, and other non-quantitative tasks that staff complete on a regular basis. The current total of 6 plan check related positions is appropriate to handle the current workload level.

A total of 3 permit technician positions are required based solely on the number of completed permits issued. The current allocation of 4 Permit Technician positions is adequate when incorporating customer service duties at the public counter, responding to inquiries about building permits, and assisting the administration of the permitting software system.

A total of 8.6 building inspection staff is recommended based on the current workload. This is slightly above the current authorized staffing level of in-house and contracted inspection staffing levels. The City should consider augmenting their contracted service level to ensure proper staffing levels during peak workload times is adequate. Alternatively, the City may use dedicated contract inspectors for large scale construction projects that require multiple inspections on a weekly basis by assigning a contract inspector to the site.

Overall, the current allocation of authorized positions to support development review operations in Building and Safety is appropriate based on the FY18/19 workload levels. The City should consider a slight modification to the contracted building inspector contract to ensure adequate staff availability during peak workload times.

Planning staff are also responsible for processing development applications. In FY18/19 a total of 949 new planning applications were processed. The following points outline the current staffing allocation for the Current Planning team:

• Principal Planner (1)

• Senior Planner (3 positions, 1 Frozen)

• Associate Planner (7)

• Planning Technician (3, 1 Vacancy, 1 Frozen)

• Historic Preservation Planner (1)

A total of 15 positions have been authorized for Current Planning functions, however two of the positions are "frozen" and therefore only 13 positions are currently authorized to be filled. The Current Planning team is divided into three teams and are grouped by Ward 1, Wards 2, 4, and 5, and Wards 3, 6, and 7. A senior planner leads each team and is supplemented by the Associate Planners and Planning Technicians.

In addition to the Current Planning team there is an Advanced Planning team that focuses on long range planning efforts and special projects. A total of 6 positions are assigned to Advanced Planning with 2 positions frozen and one vacancy. Periodically the Advanced Planning team assists with current planning based on increases in current workload and their availability.

When evaluating the workload for Current Planning, it is challenging to assign time parameters for each planning application. Planning applications can range from a quick and simple review that may take a few hours to complete or it may take many months for the application to go through the review and public hearing process before the permit may be approved.   Riverside has made significant efforts to streamline the planning/entitlement review phase of development projects and have increased the number of administrative (staff) approved applications. Administrative approval results in a more efficient process and generally reduces the amount of time required by staff to review the project. Applications that go to a public hearing often take several hundred (or thousand) hours of staff time to complete depending on the project type.

Utilizing the aggregate number of planning applications and not knowing the type of application submitted and the number of reviews that must go to public hearing, the project team assigned 25 hours of review time per planning application. The 25 hour threshold is based on the project team's experience working with other California planning departments and is based on detailed planning workload evaluation and accounts for simple to the most complex application types.

Based on 25 hours per application, a total of 23,725 hours of work is required each year. Utilizing a total of 225 available workdays annually, a total of 13.2 Planners are needed to process this workload. This calculation does not take into account non-application workload such as working the public counter, assisting customers, responding to inquiries, etc. The current authorization of 15 full time planner position is adequate. This would require the filling of the frozen and vacant positions.

Planning staffing levels are adequate only if all vacant and frozen positions are staffed.

4.   Economic Impact Analysis

This section of the report will examine how current operational practices affect the economic impact of the City.   Analysis will include special/cultural events, impact on permitting practices and development, attracting new business opportunities to the City, and revenue generation opportunities.

1. Development Permitting Practices

Local governments in the State of California are required to provide planning, building, and development regulations for their jurisdiction. Development is regulated at both the local and state level, with the local government enforcing a combination of state and local regulations.   Often times, the operational areas that receives complaints in any government entity is focused on the development review process. A city's permitting process and practice may impact the willingness of the development community to build in a community. Especially in large urban areas such as Riverside where developers may easily take their business concept to an adjacent jurisdiction.

The project team was provided a high level overview of the current development review process. This overview covered planning/entitlement, building permitting, inspections, and final occupancy. It is the understanding of the project team that the City underwent a significant reengineering of their development processes in 2015 and 2016 and created the Streamline Riverside program. The Streamline Riverside program created a one-stop shop for all development and permitting activity within the City.   In addition to having a one-stop counter where the community can access all development related staff, each of the major divisions that are included in the development process are also located on the third floor of city hall with the one-stop counter.

When creating the new Streamline Riverside program, CEDD implemented the Development Review Committee (DRC) that brings together all City review entities for a meeting with the applicant.   DRC is typically held three weeks after the planning/entitlement application is received and it may also include large building projects as necessary. This provides the applicant and staff the ability to meet and discuss review comments. The intent of the DRC is to reduce the number of resubmittals required and to review applications more efficiently. Moreover, to comply with the state mandated 30-day completeness check for entitlement applications, Planning and Building & Safety have adopted other robust turnaround times for a variety of their applications with the longest processing goal for building plan check is 20 review days. In the experience of the project them, these are exceptional service performance levels that are more robust than many other jurisdictions in California.

CEDD has achieved great success with the implementation of the Streamline Riverside program. At the time of onsite interviews, the project team noted a 96% satisfaction score

on the experience survey posted near the elevators in the permit center. This is an extremely high satisfaction score for a development services operation.

The current development review process is streamlined and incorporates many of the industries prevailing practices related to turn around time, customer interaction, and consolidation of operations in one location. The current process should continue and be refined as needed.

2. Arts and Cultural Affair Permitting Analysis

The Arts and Cultural Affairs division is a relatively small division with a staff of six. The department oversees the Fox Foundation, The Box theater, and Live Nation and supports a wide number of arts organizations and programs. The department is primarily funded by the general fund. Staff believe that with a more coordinated focus on grants across the department they could potentially bring in more grant funding. The department would also like to see some other dedicated revenue stream for the arts, as the general fund funding is not guaranteed and long-term planning is difficult without a sustained funding source.

The department coordinates major City events such as the Festival of Lights and the Insect Fair. The planning for these begins 1-2 years before the event itself and involves working with multiple departments.

In addition, the department is responsible for the permitting process for film permits and special events. This process is very similar to the process for planning and building permits, but is managed separately and is handled primarily through meetings, paper, and e-mails. Applicants must submit a number of forms, insurance certificates, business tax certificates, and other documentation that is then routed to other departments, including police, risk management, and fire. The approval process may require additional permits, such as for street closures. Staff do not have performance reports but indicate that the process for special events can take 3 to 6 months or longer, while film permits are typically issued fairly quickly.

Under the principal of grouping similar types of work in one department, it would make sense for the department to consider moving the permitting process to the Planning division. This would do the following:

•   Allow the permits to be tracked electronically.

•   Allow applicants to take advantage of the streamlining and customer service emphasis that have already taken place for the planning and building permitting processes under Streamline Riverside.

•   Reduce duplication of work and processes.

- Ensure a consistent approach to permit applications and routing across the department.

Another non-core function that would benefit from relocation is invoicing for The Box theater. Staff in Arts and Cultural Development indicate that they spend a significant amount of time trying to get payment from renters from The Box and that they do not have a smooth accounts receivable process in place to deal with delinquent payments.

Recommendations:

Transfer the processing of Special Event Permits, Block Party Permits, and Film Permits to the Planning Division.

Transfer responsibility for accounts payable for The Box to the Finance Department.

3. Economic Development Analysis

The Economic Development division is charged with attracting new businesses and retaining or expanding new businesses in Riverside. Functions include:

- Collecting and disseminating data and information of use to the Riverside business community.

- Marketing and promoting Riverside as a place to do business.

- Working with local educational institutions and business groups to ensure that Riverside is addressing their needs.

- Promoting Riverside as a destination for technology startups and other high-tech businesses.

- Promoting agriculture and sustainability.

- Helping businesses navigate the permitting process.

The Economic Development Division has done a significant amount of laudable work in recent years, from creating an innovation district to work on making Riverside a Smart City to promotion of sustainability across the city. However, the department also faces a number of challenges:

- There is currently no economic development action plan in place, although one was being developed at the time of this study.

- The division manager position has been vacant for four years, resulting in a lack of clear leadership and direction for the division.

- The work of staff within the division is extremely siloed with minimal coordination among the disparate functions.

- Staff have difficulty explaining the division of responsibilities between their department and the economic development work done within the City Manager's and/or Mayor's office.

- The division's only performance metric is the number of businesses they have assisted, which may not capture many of the real objectives of the division.

- Economic development staff lack a clear channel to communicate permitting issues faced by businesses seeking to locate or expand in Riverside.

As indicated elsewhere in this report, appointing a division manager should be a high priority for the department. This person could then provide leadership on the other issues facing the department.

Recommendation: Upon selection of an Economic Development Division Manager, work with this manager and staff to create and implement a more cohesive and clear mission for the department.

5.   Fee Calculation and Collection Analysis

This section will analyze CEDD's approach to determining and collecting fees related to their various operations.

1. Current Strengths

There are four CEDD divisions that consistently assess and collect fees, and these include: Arts and Cultural Affairs; Building and Safety; Code Enforcement; and Planning. Each division assess and collect their respective fees. There are several strengths of the current approach to assessing and collecting fees in CEDD.

• The city publishes and adopts an updated fee schedule annually and the fee schedule is posted online.

• CEDD fees are included in the City's fee schedule with a separate section for the applicable divisions.

• Detailed fees are provided for a variety of application and permit types.

• A Technology Fee is applied for appropriate permit and plan check fees to help maintain the permitting software system. Fees are stored in a separate account.

• A General Plan Maintenance Fee is applied for appropriate permit and plan check fees to fund general plan updates. These fees are stored in a separate account.

• Fees may be paid online through the e-permitting application portal.

• Development review and impact fees are collected at the CEDD one-stop shop for non CEDD review entities.

• Cost recovery goals are established: 100% for Building and Safety (non-trade permits), with 70% cost recovery for trade permits, and 90% for Planning fees.

• Both staff and the City's contracted audit team perform random and annual review of fees charged and collected to ensure appropriate and accurate collection of fees.

Each of these strengths should continue and serve as foundation for future changes and recommendation, especially those discussed in the following sections.

2. Opportunities for Improvement

There are several opportunities for improvement related to the assessment and collection of fees for CEDD. Opportunities for improvement include:

• Availability of fee schedule on CEDD's website. The adopted fee schedule by division is not available on either the Departmental or Division websites. Additionally, the search of fee schedule on the city's homepage does return a citywide fee schedule, but it is not the top entry. A fee schedule by division should be provided on their respective webpage.

• There is no fee calculator/estimator on the CEDD departmental or divisional webpages. A fee estimator or calculator should be provided in order for a potential applicant to estimate potential review and permitting fees for a hypothetical project. Granted some of the fees may not be easily calculated due to a per hour charge for plan check, but an order of magnitude can be provided. At a minimum, a fee calculator/estimator should be provided for fees that are based on construction value or size. Note: the implementation of the electronic permitting software system may include a fee estimator and may be used in-lieu of a separate fee calculator. This would only be achievable if the public can access the fee calculator without having to submit an application.

• A technology fee should be applied to Arts and Cultural Affair fees upon incorporation of electronic application review and issuance of respective permit.

• The fee schedule should identify which fees will be assessed a technology and/or general plan maintenance fee.

• The City (or CEDD) does not include cost recovery goal narratives in the fee schedule or on their websites. Appropriate narrative should be included in the fee schedule to provide the end use with general cost recovery goals of the City and departments/divisions where appropriate.

• CEDD serves as the submittal counter for several development related applications and fee collection for other Departments. CEDD does not collect a fee associated with processing non-CEDD applications or the collection of their fees.   Two examples of this includes the collection of Transportation and Environmental Fees. In order to ensure that CEDD recuperates the appropriate cost associated with conducting other department's business the fee should be adequate to cover the cost of CEDD completing this work. This may require an update to applicable fee structures or cost allocation plans. The City is currently undertaking a user fee study and it should be completed and implemented in 2022.

• CEDD has not completed a development fee study for Building and Planning since 2015**.** It is best practice to have fee studies conducted every 3-5 years. It is critical for development fee studies to be completed on a recurring cycle to ensure that

current fees are in compliance with Proposition 218, 26, and 13 and are also relevant to services being provided by the jurisdiction.

- Create enterprise funds for Building and Safety and Planning fees. Currently, Building and Planning fees go into the City's general fund. The concept of an Enterprise Fund is that any revenue collected by that fund, can only be used to support the appropriate services provided by that fund. It cannot be used to fund operations, services or expenses unrelated to the purpose of the fund. This can help serve as a cross-check for charging appropriate fees for services.

- Implement a Deferred Revenue Fund for building permits. The building permit fee is typically collected prior to construction; however, it is meant to account for all inspections that would occur during the construction phase, until the final issuance of the Certificate of Occupancy. Sometimes these inspections can all occur within a single fiscal year; however, typically the inspection process can last for several years. Therefore, to account for the inspections that are occurring in the years following the payment of the building permit. This would create a policy to designate excess revenue collected by Building and Safety for a Building Deferred Revenue fund to ensure funds are in place to cover future inspection costs.

These recommendations will help the City and CEDD collect appropriate fees to meet cost recovery goals and meet their funding needs.

Recommendations:

Create a fee estimator on respective webpages so that the public may generate an estimate related to submitting and obtaining permits.

Link a copy of the fee schedule on each divisional webpage for easy public access.

Identify fees on the fee schedule which fees require a technology and general plan maintenance fees.

CEDD should ensure pass through fees are adequate to cover the cost associated processing the applications for non-CEDD operations.

Establish enterprise funds for Building and Safety and Planning fees.

Consider a deferred revenue fund for building permits to ensure adequate funds are available in future fiscal years to cover inspections.

6. Asset Management Analysis

Real Property Services is responsible for the acquisition and disposal of city owned and accessed property. In addition to managing the purchasing or selling of city owned

property, they are also tasked with the management of leased property to private entities. The City owns several buildings/properties that are leased to non-city agencies and Real Property Services serves as the property manager or oversees the contracted service provider. General Services also serves as the City's Property Manager for Airport leases and the Magnolia Police Station retail center.   Currently, a total of four Real Property Agents are authorized in RPS.

1. Current Strengths

Real Property Services (RPS) has a very specific role in the acquisition of property, easements, and right-of-entry agreements for all City departments. The fact that the City has a team dedicated to this function is uncommon in many jurisdictions, as often times these duties are ancillary tasks across multiple departments. By having RPS, it provides all City staff and the public a centralized point of contact for City owned and utilized properties. The strengths of the current approach include the following:

- A dedicated team helps ensure a consistent approach to reviewing and approving the various applications and agreements.

- Professionals who are well versed with the regulatory requirements (local and state) that impact temporary and permanent agreements and the buying and selling of property. Limiting potential challenges with the procurement or disposal of property.

- Staff who have experience in conducting the necessary background research for real property interests, including in-depth vetting of each property and potential agreement.

- Dedicated team that is responsible for maintaining all past, current, and future agreements that the City has entered into.

- Record keeping and cataloging of current city owned properties and proactive approach to disposing of properties no longer needed for the City. Resulting in increased generation of capital revenue and annual taxable property.

- Currently undertaking a project to better catalog properties and identify which City department is the owner (or primary user) of the parcel.

- Recently updated the software program used to manage properties to eProperty Plus.

Each of the strengths listed above should continue to be refined as needed and used as a framework to implement the recommendations for improvements in the next section.

2. Opportunities for Improvement

There are several opportunities for improvement in RPS related to the level of service they provide, when services are requested and provided, and more effective management of properties. The following points summarize more efficient and effective ways to conduct business in RPS.

- RPS and General Services should have greater collaboration. One software system should be used by RPS and appropriate General Services staff to catalog existing properties (and buildings) that are managed by the City. This system may include a maintenance work order system for facilities, properties, and grounds. This should also include a listing of undeveloped properties, easements, entrance/access agreements and right-of-ways. This has mostly been accomplished with the City View program which became active during the course of this study. General Services primarily focus their services and functions on maintaining the physical structure on the property, they are also tasked with ensuring the parcel is maintained and in compliance with adopted property maintenance codes. Second, General Services staff are more readily in the field and put eyes on the various properties that is owned by the City and need to be able to consult the database if they come across potential issues. For example, if the City has permitted a temporary use on a parcel (e.g. equipment storage for a utility project), this approval should be noted in the software. Resulting in staff being able to complete their own research and confirm potential violations more quickly. Finally, collaborating between RPS and General Services will alert RPS staff more quickly to properties that may be disposed. Potentially resulting in increased revenue and property tax collection for the City.

- RPS should be alerted to City projects earlier in the capital planning phase. It was noted in RPS interviews that staff are often notified of a city project late in the City's due diligence process. Potentially resulting in delays in the project that may have been avoided. For city projects that are moving forward, RPS should be part of the planning stage in order to provide input to potential challenges and alternative solutions. This is critical for projects that may require access agreements, easement, and certainly for projects that require the purchase of property. A formalized policy and procedure for incorporating RPS in the planning stage of major city projects should be developed. Upon implementation of the policy and procedure all relevant city staff should receive training on the new policy and how to best incorporate the services of RPS into the projects.

- RPS should be included in the private development review process. Often times many private development projects includes the dedication of easements, rights-of-way, etc. to the City. RPS staff indicated that they are often not consulted during the review process nor are they consistently consulted before completion and closeout of private development. For major private development projects that includes access, easements, and/or right-of-way agreements, RPS should be involved in the initial application review. This will allow RPS staff to review the

proposed project and accompanying documentation for compliance with adopted local and state ordinances. Also, this review by RPS staff may identify more feasible alternative solutions based on their collective knowledge of the area/site. Examples include knowledge of an existing access agreement on adjoining parcel, location of a current utility easement that may serve the property, etc. Including RPS staff in the application review may reduce the work for staff and the applicant, while providing a more efficient operation and process.

- RPS should standardize their forms to ensure when City departments request services it is done in the most efficient and effective manner possible. RPS provides a unique service to all City operations and includes very technical terminology that may not be widely known or fully understood. One complaint that was repeated was that non-RPS staff may not fully understand the services that RPS provide and how RPS can support them. RPS should develop an electronic form that provides a standardized set of questions and accompanying information so that the requesting department can relay the services needed. This information and interactive form will help streamline the requests from users and provide RPS staff with specific instructions. This information should also be stored in a database program for maintenance of historic records and the ability to quickly review past actions/work associated with a particular parcel. This approach will increase efficiencies when requesting assistance. Also, it can serve as a way for RPS to better track workload and performance.

- Develop a formalized asset management plan in conjunction with General Services that periodically reviews all managed assets. This plan should also standardize the fields included in the software system that serves as the database for each asset. At a minimum, these fields should include: type, asset ownership entity (e.g. Utility, Parks, private owner, etc.), contact information, date of ownership/acquisition (or when agreement is active), expiration date (if it expires), and location (GPS and/or street address). Each of these fields will make it easier to manage the asset. The asset management plan should outline the frequency of reviewing assets by classification (e.g. buildings, parcels, easements, etc.) on standardized rotation to ensure that each component is still active/in force, includes accurate and relevant information, etc. Helping ensure that irrelevant agreements and non-utilized parcels are disposed of in an efficient and effective manner. A formalized asset management plan should be developed in the next 18 months. This effort should be led by General Services with support from RPS. General Services was not included in this study, and they were not consulted regarding this recommendation.

Implementation of the recommendations above will result in the City, RPS, and General Services staff to better manage real property assets. Furthermore, these recommendations will provide more efficient processes for requesting services from RPS. Inclusion of RPS staff in the private development review process will result in efficiencies gain for project review and higher utilization of existing easements and agreements. The

combination of these recommendations should result in increased revenue for the City in both one-time disposition of properties, and reoccurring property tax generation.

Recommendations:

Increase collaboration between Real Property Services and General Services staff who manage the maintenance of City property and facilities. This includes using the same software solution.

Incorporate Real Property Services staff in major city projects earlier in the planning and due diligence stage.

Real Property Services staff should be included in the development review process for applications that will include access agreements, city accessed utility agreements and right-of-ways.

Develop standardized forms to request services from Real Property Services.

Real Property Services and General Services should develop and implement a real property asset management program over the next 18 months.

7.   Programs and Services Analysis

As discussed throughout this report, CEDD includes a wide variety of divisions and services. Additionally, several previous sections have referenced the level and types of services provided and various service levels. This section of the analysis will provide a more detailed assessment of the services provided, how operations measure (or can measure) success, and how to better target their customer base.

1. Program Offerings Analysis

The following points summarizes the current service offering of the divisions included in this assessment and identifies opportunities where they may be expanded or improved.

- **Arts and Cultural Affairs:** Serves as a partner between the City and art and cultural institutions in the City and acts a champion for the arts in the City. Provides direct funding to arts and cultural organizations sponsors and assists in programming for events and oversees specific art venues in the City. Additionally, they provide permitting for special events, block parties, and filming. Finally, staff manages the contracts between the City and private provider for the Fox Foundation and Fox Center facilities.

- **Building and Safety:** Responsible for ensuring that all construction and development activity within the City is conducted in a safe manner. This is completed through building application review, permitting plan check, building and construction inspections. The City protects the health, safety, and welfare of the community through enforcement of the adopted California Building Standards and any local amendments.   Additionally, staff may support Code Enforcement operations through the inspection of buildings to ensure compliance with applicable codes. Staff also process development related permits and fees for non-CEDD review departments (e.g. utilities, public works, etc.) and distributes them to appropriate review personnel.

- **Economic Development:** Responsible for the attraction of new business and retention of existing businesses in Riverside. Staff disseminate data and other relevant information of use to the business community, help businesses navigate the City's permitting processes, and act as a liaison between the business community and the City. Staff also assist on special projects such as the Economic Development action plan, creation and implementation of innovation districts, and the GrowRiverside plan.   Staff also respond to request for proposals for potential business opportunities. Finally, staff represent the City on a variety of committees and boards to help promote the City as a welcoming place to conduct business.

- **Neighborhoods:** Focuses their efforts on promoting the quality of life and neighborhood engagement in the City through providing grants for neighborhood projects, sponsors community events, and helps foster community leadership on the part of leadership. Staff also administer special project grants such as CalFresh Healthy living, which encourages a healthy eating and active lifestyle.

- **Planning:** Responsible for the creation, adoption, implementation, and enforcement of the City's zoning and land use codes, ordinances, long range planning efforts, including the City's General Plan. Additionally, staff process entitlement applications to ensure compliance with adopted local, regional, and state ordinances. Finally, staff manage and/or support a wide array of special projects for the City. The City has limited expertise on climate change and thus limited ordinances related to these areas. The opportunity exists to expand sustainability and climate change regulations locally. The State of California has recently proposed several climate change and sustainability legislative bills that could impact local planning efforts. The City currently has an internal environmental committee, which Planning is included. Additionally, the City Manager's Office has created the position of Sustainability Coordinator in the first half of 2020. Planning staff should work with the Sustainability Coordinator to incorporate local, regional, and state sustainability (and climate) regulations.

- **Real Property Services:** Tasked with the acquisition, inventory management, and disposal of city owned real property. Staff prepare right-of-entry agreements, perform property history and ownership information related to real property, conduct property valuations, administer appraisal review, purchase new property, maintain inventory of current assets, dispose of property, and serve as interim property manager as needed. Services are provided to all city departments and with applicable community organizations.   Program offerings that can be expanded would include the development of a robust asset management program, and earlier involvement in the development review process and internal capital project planning.

The following graphic summarizes the potential areas where CEDD divisions can expand their core services.

Recommendations:

Incorporate sustainability and climate change regulations into the city's development ordinance and review applications for compliance.

Expand Real Property Services involvement earlier in the private development review process and the City's capital planning process. Proactively manage the City's real property assets.

2. Measures of Success Assessment

Each division has a different way to measure the success of their operations. Some divisions have specific workload and performance indicators where they gauge their work efforts against predetermined goals. Other divisions such as Building and Safety and Planning have a tablet near the exit of the permit center to gauge customer's satisfaction with the service just provided.

Section 10 of this report discusses benchmarks and performance indicators that are currently used, and how some of these might be revised to provide better information and a clearer basis for goals and objectives.

3. Customer Outreach Analysis

There are a variety of ways in which CEDD reaches out to their customers and engaging with the public. Considering that each mission of the divisions included in this study vary, so does their target audience. Divisions such as Arts and Cultural Affairs, Neighborhoods, and Economic Development are outward facing departments that engage with the public and non-city entities the majority of time. While Building and Safety and Planning serve both internal and external customers and at varying levels of engagement. Finally, Real Property Services and Administration/Finance divisions primarily serve both CEDD and City staff versus the community.

The project team analyzed the current customer outreach efforts by division due to their multiple approaches to reaching their customers and the community.

- **Arts and Cultural Affairs:** This division is extensively involved in the community, providing grants, supporting arts programs, and managing entertainment venues. Events (prior to the COVID outbreak) are well attended and well received by the public. Our assessment did not find any significant gaps in how this division reaches out to the arts community and the city as a whole.

- **Building and Safety:** This team provides a wide variety of resources and materials available on their webpage. A review of their webpage includes information related to the application review, permitting, and inspection processes. This information includes application checklist, submittal requirements, electronic plan review and status access, and a searchable database. By the end of 2020, the City is expanding the capabilities for digital application submittal and permit issuance. Due to the Covid-19 pandemic, the City fast tracked the testing and implementation of several major components successfully. Electronic submittal implementation has received support from the development community.

    As part of the Streamline Riverside project, Building and Safety participates in the Development Review Committee discussions with applicants. This approach is effective in engaging with applicants and providing review comments. Furthermore, it allows for a constructive dialogue between reviewers (inside and

outside CEDD) and the applicant to develop alternative solutions. Resulting in a more efficient and effective development review process.

An area where Building and Safety in conjunction with other development review entities could improve customer engagement is to hold periodic focus group discussions with the development community. Focus groups between City development review staff and frequent customers will provide opportunities to identify potential challenges and address current issues. In the event that the City would like to change development regulations, focus groups can be used as an initial vetting vehicle to obtain feedback on the proposed changes. Focus groups enhance the proactive and positive interaction between the development community and the City.

Upon implementation of the new permitting software solution later this year, the City should have the option to provide an interactive map with current development projects. A current project map that includes related project information is an excellent way to provide relevant project information to the public. Often times, the public will see site work at a particular location and desire to know what is happening. One way to engage the public is to have a current project map that show the various development projects that have been applied for, permitted, and under construction. The proactive engagement with the community may also reduce the workload associated with the public requesting general information about a specific site. A link to the current development projects should be included on the Engage Riverside homepage. Cedar Park, Texas has an interactive map that provides summary information active projects. It may be accessed here (https://cedarparkatlas.com/atlas.aspx?Section=Permitting).

- **Economic Development:** The Economic Development division is proactive in reaching out to existing businesses and prospective businesses to attract and promote expansion and retention of business in the city. They receive "leads" on potential new businesses through the state, and maintain contact with businesses within Riverside with the goal of retaining these businesses and helping them expand. Economic Development staff attend numerous meetings with civic groups, coordinate their work with the Chamber of Commerce, attend trade shows, sit on community boards such as Parkview Hospital and the Business Partnership board, and work with local colleges and universities. They also partner with local realtors to identify potential areas for business expansion.

  The division uses the software program Salesforce to track contacts and ensure that they follow up as needed. Staff in the department also attend trade shows with the goal of marketing Riverside as a business destination. Finally, the division also maintains a robust social media presence.

- **Neighborhoods:** The Neighborhoods division is focused on public engagement, including with communities that would not otherwise interact much with the city. They engage the public by funding grants for community building events and

neighborhood beautification projects.   Staff in this division participate in a number of community organizations.   They also provide a resident leadership training program to help residents learn about neighborhood leadership. While the division does an excellent job with neighborhood outreach, it could also play a role in helping other divisions with community engagement, for example helping the Planning department engage with the public about development plans or controversial projects.

- **Planning:**   Similar to Building and Safety, Planning provides a wealth of information related to their duties, applications, and processes on their respective webpage and through the Streamline Riverside portals. Additionally, Planning has a specific webpage dedicated to long range planning documents.   Relevant information is readily accessible on the Planning Division's webpage.

    Planning should be involved in the focus groups with the development community described under the Building and Safety point above. Second, Planning related projects should be included in the interactive project map that was also described in the Building and Safety point.

- **Real Property Services:** The majority of workload and customer engagement for RPS is with other City departments. As discussed previously in Section 6 of this report RPS can improve customer engagement through creating standardized forms for both internal and external customers. Considering that most customers are internal, it is important for RPS staff to engage on a regular basis with other City staff to build those working relationships and to provide greater clarity on the services that are available.

Overall, the CEDD goes well beyond what is typical in community outreach and interaction and engages with numerous civic institutions, businesses, and other groups. This is a clear strength of the department.

Recommendations:

Implement a focus group between the local development community and City development review staff to proactively engage these individuals with a goal to discuss challenges, review potential changes, and develop a stronger relationship between parties.

Provide a current development project map that provides a high level summary of development projects under review, permitted, and under construction. A link to the current project map should be on the Engage Riverside homepage and accessible from Building and Safety and Planning webpages.

Expand the role of the Neighborhoods Division to assist other divisions in civic outreach.

8.   Communication and Collaboration Analysis

Communication and collaboration between teams and functional areas is a key component of effective and efficient operations of all organizations.   Internal communication for a department such as CEDD which serves both internal and external customers is critical. It is important for customers to receive consistent communication from all CEDD divisions. Many times, customers must interact with several divisions, especially those involved in development review. Therefore, it is critical for there to be strong policies and procedures in place that guides both internal and external communication.   If staff can communicate and collaborate effectively between one another, then the likelihood of them communicating with customers and the public will be more effective.

This section of the report will analyze current communication and collaboration efforts of CEDD and the respective divisions included in this study.

1.   Communication Analysis

The communication analysis will focus on interdepartmental communication between the various divisions.

There are several key themes for effective communication throughout an organization. These key themes include:

•   Established policies and procedures for communication between divisions, departments, and the public.

•   Consistent communication format from leadership. Including a method for generating feedback and shaping follow-up messages.

•   Established mission, vision, and brand for the department/organization.

•   Messages from leadership that embrace the organizations mission, vision, and brand.

•   Employees have a voice or a way to provide feedback/input to their supervisors and colleagues.

•   Established training program for new hires and in-service training programs to brush up on communication policies and skills.

•   Flexible communication policies that address communication needs of both office and field staff.

- Established templates for routine communication between divisions and the public (e.g. review letter template, interdepartmental mail, etc.).

CEDD meets several of the key themes mentioned above. One theme area that CEDD is currently meeting is related to an established mission, vision, and brand of the department. The department and each division has a separate and defined mission statement that staff are aware of. Another key theme that is meet by the department is that most divisions have established templates for routine communication methods. This is noted in Building and Safety and Planning development review letters and staff reports.

Based on interviews it was noted that the majority of staff felt they had the ability to provide feedback and input to their supervisors. However, some staff noted that their immediate supervisor was not open to feedback or input. These comments are not uncommon in the project team's experience, as there is always some level of disagreement with communication. One area that was noted for improvement related to communication from supervisors and leadership is the desire to have a more consistent approach to communication, especially from department leadership. This is not surprising considering that some divisions are directly managed by the Director or Deputy Director, which creates an imbalance of organizational structure between divisions. This is impacted by the frequency and level of interaction from upper management and to staff. Having a Director/Deputy Director leading some divisions and not others leads to an imbalance. Most of these communication issues would be resolved with the development of a dedicated communication policy for CEDD.

CEDD should create and implement an internal communication policy.   The communication policy would help streamline the communication approach for department and divisional leadership. With the intent to create a consistent approach for leadership to communicate with staff. Due to the varied nature of operations and a combination of office and field staff, a consistent approach is key to effective intradepartmental communication. Elements that should be incorporated into a communication plan include:

- A standardized process for which leadership evaluate each situation and how to craft key information.

- A consistent form of communication (e.g. email, newsletter, staff meeting, etc.) based on the type information being communicated (e.g. policy change, performance measures, organizational changes, etc.).

- Policies and procedures for intradepartmental communication methods and means.

- Policies related to communication with customers and the public.

- Standardized templates for communication materials (e.g. email signature, letters, forms, etc.).

- Policies and procedures related to employee feedback.

- Defined training for new hires on communication policies, procedures, and approaches.

- Develop an assessment program to provide staff with necessary training and skills to improve their communication.

- Create a training program for recently promoted supervisors and managers that outline communication requirements for these positions.

- Ensure policy elements that incorporates the processing of external media request.

- Define communication performance benchmarks and collect relevant data points.

- Develop an implementation plan for ensuring that all staff are aware of the new communication plan and strategy and their role in achieving success.

Incorporation of these elements into a CEDD communication plan will ensure better communication between staff and leadership.

One element that is included in the framework elements of the communication plan was the templating of key communication tools and forms. It is important that for frequent communication material (internally and externally) to be consistent and include relevant information. For example, in the development review process, staff provide a similar approach to crafting the review comment letter. This ensures that the applicant receives consistent and standardized information regardless of the reviewer and department. Moreover, if the applicant receives a second comment letter after resubmission, then it is a familiar format with relevant information. Having templated forms and approaches creates greater efficiencies for staff, but more importantly provides a standardized approach for the customer (or staff) to receive information. CEDD should template all frequently used forms. This is a frequently discussed item in various sections of this report.

In summary, CEDD needs to develop and implement an internal communication plan and standardized templates and forms to increase the effectiveness of communication both internally and externally. This will provide a more consistent approach to communication between leadership and staff and between all staff and divisions.

Recommendations:

Develop and implement a communication plan and strategy to provide consistent communication between leadership, staff, divisions, and customers.

> **Create standardized templates and forms to encourage consistent dissemination of information between staff and the public.**

2. Collaboration Analysis

In addition to effective communication, staff must also work together and collaborate well on tasks that span multiple divisions. While CEDD includes multiple divisions that cover a wide array of services and functional areas, there is a degree of collaboration between the division.

Administration and Finance work with all divisions of CEDD and staff indicated no challenges related to the working relationship between administrative support, finance, and their respective divisions. This was further collaborated with Finance providing relevant data sets and other information as part of this study for all divisions.

Other areas where collaboration happens on a daily basis is related to the development review process. Building and Safety and Planning are the two lead divisions for different development review applications and permits. With the implementation of the Streamline Riverside and one-stop permit center the collaboration and communication between these two divisions has increased along with communication between CEDD and other development review partners. During the interview process, staff discussed how this working relationship has grown over the past few years, especially at the staff level. Furthermore, it was discussed how the Development Review Committee (DRC) has increased the collective knowledge of respective divisional staff and non-CEDD reviewer's role in the development process. Staff indicated this information sharing was especially critical for the reviewers who are outside of CEDD. Based on the effectiveness of the current approach to development review, there is strong collaboration between Building and Safety and Planning team members.

Building and Safety also collaborates with Code Enforcement to work together on ensuring that properties are well maintained within the City. Second, Building Inspectors support Code Enforcement staff with conducting life, safety, and welfare inspections for buildings and assists with reviewing plan sets to mediate the code violation. Building and Safety staff indicated there was a strong relationship with Code Enforcement.

Real Property Services provides services to all City departments and to other CEDD divisions.   The collaboration between RPS and other CEDD divisions could be strengthened. As discussed in Section 6 of this report, RPS could be brought in earlier in the review process for development applications. This would increase collaboration between RPS and Building and Safety and Planning and provide more efficient service. Also, the opportunity exists for RPS to work with Neighborhoods and Arts and Cultural Affairs to develop real property assets that may be used for programming efforts. This collaboration would provide for greater utilization of City owned properties and a positive impact on the community. RPS should develop a list of properties/parcels available to be

potentially utilized by other program areas. Maintaining this database may provide more effective solutions for other City operations and may include positive financial impacts.
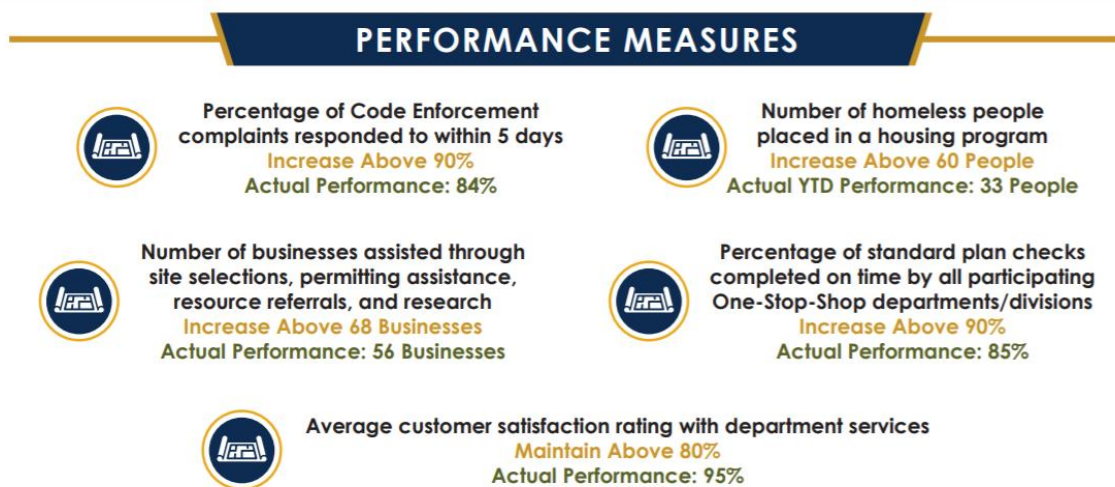
Recommendations:

Real Property Services should develop a city owned parcels database that may be eligible for use by other CEDD and City operations.

9. Performance Indicators

Performance Indicators should allow department leadership to get a quick sense of how well divisions are doing their jobs. The metrics used should tie in to those used by the city as a whole in quarterly reports, but provide a greater level of detail and a sense of whether trends are positive or negative. As stated above, where possible they should focus not just on how much work is being done, but how well.

The general best practice for goals is that they should meet the SMART criteria: Specific, Measurable, Attainable, Relevant, and Time-bound. Given the complex role of government, it is not always possible to adhere to this practice for every municipal function, but each division would benefit from a review of their goals and an identification of how to make them more performance oriented.

The performance data provided in division reports and in departmental reports (and eventually the city's quarterly report) are a mix of workload and effectiveness measures. Below is the City's graphic showing current performance measures in the City's quarterly report:

PERFORMANCE MEASURES

Percentage of Code Enforcement complaints responded to within 5 days
Increase Above 90%
Actual Performance: 84%

Number of homeless people placed in a housing program
Increase Above 60 People
Actual YTD Performance: 33 People

Number of businesses assisted through site selections, permitting assistance, resource referrals, and research
Increase Above 68 Businesses
Actual Performance: 56 Businesses

Percentage of standard plan checks completed on time by all participating One-Stop-Shop departments/divisions
Increase Above 90%
Actual Performance: 85%

Average customer satisfaction rating with department services
Maintain Above 80%
Actual Performance: 95%

The Code Enforcement and Customer Satisfaction measures are good examples of meaningful performance measures. The Numbers of Businesses Assisted and Homeless Placements are more workload measures – they do not necessarily indicate whether the programs are effective or whether the business climate or level of homelessness in the city are improving. Creating truly meaningful metrics for these functions is difficult but is an issue worth revisiting with the relevant departments.

In addition to the performance reports that each division compiles, CEDD Administration should consider creating a formalize feedback mechanism to share with staff. In interviews, some staff indicated that they often feel uninformed about department-wide

activities or about planned changes to the department. Similar to incoming division reports, management should establish a uniform approach for implementation of new operating procedures, policy and procedure updates, etc. that are clearly disseminated department wide. Communication is discussed in greater detail in Section 9 of this report.

1. Development Review (Building and Safety, Planning)

The development review process is one of major service areas provided by CEDD. Development review encompasses Building and Safety and Planning Divisions along with frequent interaction with other City departments. With a significant amount of workload that is completed by the respective divisions, it is key to work in a timely and efficient manner. CEDD has developed performance standards for the processing of various development review applications and permits.

- Planning utilizes the 30-day state required completeness check to guide the review of planning applications. Furthermore, an internal goal of approximately 20 days has been established for planning applications to go before the Development Review Committee (DRC) in order to meet the ultimate, 30 day target. This approach provides a target date for all review staff (including non-planning) to complete their review in timely fashion.

- Planning also informally tracks some of their workload based on public hearing dates. There are many statutory guidelines that must be followed and met in order to an application to go a public hearing. Based on a review of minutes from various land use boards/committees applications proceed as initial schedule except when an applicant requests to delay to hearing.

- Building and Safety have adopted processing times of 5, 10, and 20 days depending on the application type. Simple applications have a goal of 5 or 10 review days, while more complex projects have a 20 day turnaround time. Adoption of graduated review timelines is considered a best practice. In the project team's experience these timelines are robust.   Many Southern California communities that have adopted timelines generally range between 20 and 30 days for the most complex applications.

- The division desires to perform next day building inspections for requests that are received by 5 p.m. the day before. Based on a snap shot of data provided during interviews, approximately 98% of inspections are completed the next business days. These performance indicators are monitored either monthly or quarterly by leadership. These efforts should continue in the future.

One additional way that Building and Safety measures success is in conjunction with the one-stop permit counter. The Department has placed a tablet near the elevators to gauge customer's experience with the services that were requested and received. The overall satisfaction rate with the one-stop counter is over 96%. This metric is not specific to

Building and Safety, but applies to all of the representatives that have staff at the one-stop location.

In addition to the established performance measure, the City has implemented a one-stop shop permitting counter. A one-stop shop provides all the necessary resources related to development, permitting, and inspections at one location. This approach provides efficient services to customers and the opportunity of staff to collaborate more frequently. The one-stop shop is a popular model of providing development review services to the community.

In addition to the one-stop permitting center, CEDD is in the process of implementing an online platform for the submission, reviewing, and issuing of development permits. The new software solution should be implemented by the Fall of 2020. So far, the City has been successful in releasing individual modules throughout the first half of 2020.

CEDD has established performance metrics for tracking the development review process, has implemented a one-stop permitting counter, and in the finalization of transitioning to electronic development application submittals. Each of these align with prevailing practices for efficient and effective development review departments in California and across the United States.

While the department is strong in performance measurement, the implementation of a new software system provides a great opportunity to improve performance reports for managers, the department director, and the City as a whole.

The current measure used at the City level: "percent of plan checks completed on time by all … departments/divisions" does meet many of the SMART criteria. However, best practices in development review indicate that it is possible to obtain a more nuanced view of how well the permitting process is working for applicants.

In most cases, the applicant does not care whether each individual department met his/her target. Indeed, the concept behind the "one stop shop" is that the customer is interacting with the City of Riverside, not a number of different disciplines operating individually. Work across the country on development review indicates that the major factors that affect the applicant's experience are:

- How often are applications complete at the time of submittal? (Incomplete applications indicate that the applicant did not have a clear understanding of expectations.)

- How long does it take to get an initial review completed by all departments?

- How many times does the applicant end up having to resubmit plans?

- How long does it take for resubmitted plans to be reviewed?

- *(For Planning applications that need board approval)* What is the typical time lapse between submittal of plans and a board hearing?

Because the city is in the process of implementing new software for building and planning, it can make these kinds of reports a standard output of the software. (Producing such reports manually is extremely time intensive.)

Below is a sample report that the system should be able to generate.

Riverside: Permit Performance Report					
Date Range:					
Permit Type	**Number of Applications**	**Average First Review (Days)**	**Average Application – Issuance (Days)**	**Average Re-submissions**	**Number Issued**
		Includes review days by other departments.	*Application to Issuance (includes revision time by applicant)*	*Average number of times permit type is re-submitted for review.*	
PLANNING PERMITS					
• Annexations • Conditional Use • Condominium Conversion Permit • Design Review • Development Agreements • Grading • General Plan Amendment • Minor Conditional Use Permit • Planned Residential Developments • Planned Residential Developments for Multiple Family Residences • Specific Plan Amendment • Street Name Change • Street-Alley-Walkways and Summary Vacations					

• Subdivision (Tentative Parcel and Tract Maps) • Subdivision Modification Justification Form • Traffic Pattern Modifications • Variance • Williamson Act Agricultural Preserves • Wireless Telecommunicatio ns • Zoning Map and Code Amendment (Rezone)					
BUILDING PERMITS					
• Residential Building					
• Commercial Building					
• Electrical					
• HVAC/ Mechanical/					
• Plumbing					
• Residential CO					
• Commercial CO					
• Demolition					

CEDD should implement performance measures for development activities to ensure that targeted processing goals are met. Additionally, standardized performance reports should be posted on the City's webpage for the public to view the city's goals and their ability to meet them.

2. Real Property Services

Real Property Services has been analyzed in various sections of this report. Noted in Section 6 of this report, the current level of service provided to all City departments and having a centralized team managing the acquisition and disposal of city properties and agreements is an excellent practice. However, performance measurements are difficult for RPS since their workload is influenced by individuals outside of their division. The opportunity exists to establish a real property asset management plan that addresses the proactive needs of reviewing of current assets and updating as necessary. The real property asset management plan should include benchmarks for reviewing each class of assets on a consistent basis. RPS should develop these benchmarks in conjunction with General Services and report their ability to achieve them on a regular basis.

Recommendations:

Standardize the division performance reports by identifying key performance metrics and appropriate status updates. Each division's report should include similar information and utilize the same template.

Revisit performance reports with each division, focusing on identifying metrics that are Smart, Measurable, Achievable, Relevant, and Time-Bound.

In conjunction with implementation of new software for Building and Planning, ensure that the system includes a way to automatically generate reports that provide meaningful information about how the permitting and building process are working for applicants, beyond whether individual disciplines are meeting their own performance targets.

Create a more formal feedback mechanism so that staff are kept up to date about activities and planned changes within the department.

3. Other Divisions

This section focuses on how the divisions outside of Building and Safety and Planning measure success.

- **Arts and Cultural Affairs** This division does not have any specific performance measures, but does track the number and size of art grants provided. Additional measures that would be useful (after the COVID crisis has subsided) would relate to occupancy and financial performance of some of the city's arts facilities.

- **Economic Development:** The only performance metric currently used by Economic Development relates to the number of businesses that the department meets with. This metric does not capture the full scope and scale of work done by the department nor does it measure an outcome related to the division's mission. We would recommend that, once appointed, the division director focus on identifying more meaningful metrics. Measuring success in Economic Development is challenging, especially as it is difficult to assess the impact of the division. (For example, if a business expands by 50 employees, is that due to the work of the Economic Development division or would it have happened without the city's support?) That said, they should consider metrics such as workforce size, commercial vacancy rates, unemployment rates, and business tax revenues to at least assess the general health of the city's business climate. Additional metrics related to sustainability, agriculture, and access to technology would help capture more of the work of the department.

- **Neighborhoods:** The Neighborhoods division does not have formal metrics, but does track the success of different events and informally assesses the cost and benefits of events it sponsors. For example, if the department funds an event with

relatively few attendees, it will not fund the event in future years. The department's leadership is passionate about community engagement, not just by this division but across the department and city. Statistics related to community engagement would help encourage more interaction between the community and the city.

- **Real Property Services:** There are no defined measures of success for Real Property Services. Many of their current tasks include research, document preparation, and the acquisition or disposal of property. The performance goal for success is related to completing the task within the requested timeline. Depending on the task type and the history of the subject property, the time for completion can be relatively quick or take several months. Additionally, RPS must rely on many non-city entities for information, which makes the creation of performance benchmarks unrealistic.

  One area where RPS can measure their level of success would be related to the proactive management of their real property. As discussed in Section 6, RPS needs to develop and implement (with General Services) an asset management program that includes benchmarks. Upon implementation, staff should be able to benchmark their asset management and review activities to the levels prescribed in the adopted plan. A quarterly performance report should be provided to CEDD leadership. A properly executed asset management plan is critical to effective operations and should include measurable benchmarks.

Adopted benchmarks for measuring success varies by divisions. Some divisions have adopted robust performance measures while do not measure key performance indicators. Opportunities exist to formulize key performance indicators and adopt quarterly performance reports, which can help identify current and future operational challenges.

Recommendations:

Arts and Culture should develop and track occupancy and financial performance of their facilities.

Economic Development should expand the number of key performance indicators they track to provide a more robust analysis of their business recruitment and retention efforts.

Neighborhoods should formalize metrics to track community engagement efforts and benchmark their performance with adopted goals.

10. Overtime Expenditure Review

Analysis of overtime expenditures for fiscal years 2016, 2017, and 2018 was requested. The project team analyzed three years of overtime and compensatory time awarded for the various divisions in this study. The following table summarizes the past three years of overtime and compensatory times earned.

Overtime and Compensatory Time Summary

Division	FY 16/17		FY 17/18		FY 18/19	
	Comp Time	Overtime	Comp Time	Overtime	Comp Time	Overtime
Administration	17.91	0	1.5	6	27.75	0
Arts & Culture	220.49	0	235.87	0	173.62	0
Building & Safety	80.5	643	17	656	28.5	826.25
Economic Development	0	0	0	8	0	0
Planning	514.26	106.25	455.22	105.25	472.47	15
Total Hours	**833.16**	**749.25**	**709.59**	**775.25**	**702.34**	**841.25**

The following points and analysis was noted related to overtime and compensatory time earned.

- The total number of compensatory time earned has decreased over the past three years, while the number of overtime hours earned has increased.

- Building and Safety and Planning were the primary earners of overtime in the last three years. However, it should be noted the reason for overtime was related to applicant requested expediated plan review. Expediated plan review cost is covered by the applicant. Applicants can request overtime plan review and if staff accept the assignment, the applicants are charged for the overtime cost incurred. The City does not incur any cost associated with this option.

- Administration primarily utilized compensatory time in-lieu of overtime. However, a total of six hours of overtime was used in FY17/18 and was approved in advance of earning, which is in compliance of applicable policies.

- Arts and Cultural Affairs used compensatory time for staff who worked excess hours per time period. This approach aligns with adopted City and CEDD policies. The amount of compensatory time is reasonable given the types of events that staff host and support throughout the year. Often times these events are held outside of normal business hours, requiring staff flexibility.

- Economic Development utilized eight hours of overtime in FY17/18. Based on notes in the data received, this was approved prior to staff working the overtime. Indicating compliance with applicable policies.

- Planning included a significant portion of the total number of compensatory time earned. This is to be expected considering that Planning staff often must attend public meetings/hearings that occur outside of traditional business hours. The number of hours were fairly consistent over the past three years and based on the total number of staff and frequency of public meetings, the number of hours are reasonable. This approach complies with applicable policies.

In summary, the use of overtime is limited outside of Building and Safety and Planning, which does not impact the city due to the overtime being requested and paid for by applicants. Only a total of 14 hours of overtime was earned by the other divisions and was in compliance with applicable policy. In-lieu of overtime, staff were awarded compensatory time off when they worked additional hours. This approach is consistent with adopted policies and procedures. The project team noted no issues with the overtime and compensatory time usage of CEDD.