

CITY OF KIRKLAND
123 FIFTH AVENUE • KIRKLAND, WASHINGTON 98033-6189
DEVELOPMENT SERVICES
MEMORANDUM

To: Dave Ramsay, City Manager

From: Tom Phillips, Building Department, Building Services Manager
Nancy Cox, Planning Department, Development Review Manager
Rob Jammerman, Public Works Department, Development Engineering Manager

Date: September 21, 2006

Subject: DEVELOPMENT SERVICES REPORT

In response to your request we have prepared this report to give an overview of the Development Services Division; a report about who we are, what we do, what we are doing well, what challenges are we facing, and how we compare to other cities in the region.

I. Who are we?

Kirkland Development Services is a combination of 63 staff members from three different Departments, the Fire and Building Department, the Planning Department, and the Public Works Department (see the attached organization chart). These 63 staff members work together on a daily basis to review and inspect projects ranging from small residential decks to large commercial projects such as the new bed tower at Evergreen Hospital.

II. What do we do?

Most people understand that a group of staff members at City Hall are responsible for the review and inspection of all development and building activity within the City. However, beyond this overview, it becomes less clear to people about who does what. The following is a list of the responsibilities that each Department is primarily responsible for:

Fire and Building Department:

- Intake and issuance point for all Building, Land Surface Modification (LSM), Electrical, Plumbing, Sign, Fire Sprinkler and Fire Alarm permits
- Review and Inspect permits all above permits (except LSM) for compliance with applicable State and local codes
- Intake point for Building Permit Pre-submittal Meetings
- Assign addresses for new buildings
- Receive and follow up on rodent and construction related complaints
- Provide customer education and assistance

Planning Department:

- Provide public information about development regulations
- Intake Land Use Permit pre-submittal meetings
- Intake and process all Land Use Permits (subdivisions, design review, Planned Unit Developments, wireless, variances, etc.)
- Review permits for compliance with the State Environmental Policy Act
- Review building permits for land use code compliance
- Enforce development codes

Public Works Department:

- Review all land-use permits for compliance with the Public Works Standards, Zoning Code street improvement regulations, surface water regulations, and comprehensive plan (street and utility related issues)
- Review and inspect all street and utility improvements installed by builders and developers
- Review and issue all Franchise Right-of-way Permits (permits for PSE, Verizon, Comcast, etc.)
- Review and issue all Side Sewer Permits
- Intake, track, and release all Performance and Maintenance Securities
- Review all development traffic studies, issue traffic concurrency certificates, and collect traffic impact fees
- Provide property owners, builders, and developers with information about all existing private and public utilities and street infrastructure

III. What are we doing well?

Development Services is continually asking our customers and staff, "How can we improve our process?" The following is a list of process improvements that we've implemented to better serve our customers:

- A. MyBuildingPermit.com** – In 2003, www.MyBuildingPermit.com was launched by the cities of Bellevue, Issaquah, Mercer Island, and Kirkland. The success of the program led to a Municipal Achievement Gold Medal Award this year by the Association of Washington Cities (AWC). There are now nine different Cities and Snohomish County that use the website to receive and issue Building Permits. Three additional cities will be online before the end of this year. Customers within any of these jurisdictions can go on-line 24x7 to obtain Plumbing, Mechanical & Electrical permits. Kirkland issues approximately 35% (86 per month) of its Mechanical and Electrical Permits through this on-line permitting system. Our newest feature allows customers to make inspection requests online and will be available soon. Future projects include processing building permits and plan review online.
- B. Express Permits and Fast-Track Permits** – A few years ago, two new processes were implemented to funnel less complex permits out of the main review track so that could be reviewed and issued in a more timely manner. The two new processes are called Express

Permits and Fast-Track Permits. The details about each of these types of permits are as follows:

Express Permits – This is a category of permits that will be issued in 3 days or less.

Customers may apply for *Express Permits* for the following types of permits:

- ✓ Rooftop Appurtenances
- ✓ Tenant Improvements
- ✓ Basic Decks
- ✓ Single Family First Floor Additions
- ✓ Ground Mounted Mechanical Units

Fast-Track Permits – We have a goal to issue *Fast-Track Permits* within 10 working days. These projects are too large to qualify as Express Permits, but less complex than a large project such as a new single family home. Projects that have the potential of being classified as a *Fast Track Permit*.

- ✓ Complex Single Family Additions or garages under 500 square feet.
- ✓ Other Small Projects – such as deck, sheds, repair/maintenance projects in or near sensitive areas that are exempt from the State Environmental Policy Act.
- ✓ Complex Rooftop Appurtenances.
- ✓ Rockeries and Retaining Walls up to 8 feet tall
- ✓ Tenant Improvements up to 5000 square feet without a change in use
- ✓ Slab on Grade Greenhouse Additions under 500 square feet
- ✓ Single Family Outdoor Swimming Pools

- C. **Expedited Building Permit review for new Single-family Building Permits** – In 2003, the City started a new program to allow builders to pay an additional review fee (approximately \$1,700) in exchange for an expedited review process. It is the builder's choice if they want to participate in this program, but if they do, they are guaranteed first review comments for their Building Permit within 15 business days. To achieve these time lines, the expedited permits are sent out to be reviewed by Planning and Building consultants. Overall, this program has been a success and is very popular (about 70% of all new homes go through the expedited process), but it has had some challenges that we working to correct (see "challenges" section later in this report).
- D. **Combined Demolition and Building Permits** - On January 1, 2006, we began offering customers the option of combining demolition permits with Building Permits and/or Land Surface Modification (LSM) permits. Prior to this, the building permit or LSM permit could not be issued until the demolition permit received a final inspection. The change was made in response to customers who asked for the ability to work on the new building or site grading while they already had the heavy equipment on site for the demolition work.
- E. **Simultaneous Review of Subdivision (Plat or Short Plat) and the LSM Permit**– A few years ago, we made a significant change and started allowing developers to submit for

LSM Permit applications while their Subdivision was being reviewed. The developer understands that there is a risk in early submittal of their LSM Permit as changes may be required during the Subdivision review process. This simultaneous review has allowed the developers to start grading and installing utilities shortly after they receive their subdivision approval.

- F. **Completeness Meetings** - In an effort to reduce the number of Building Permits that were being submitted without complete plans and paperwork (which clogged the permit review process and increased review times), a completeness check process for new commercial and multifamily projects was created. Applicants are required to schedule a meeting during a reserved appointment time (2 one-hour time slots are available per week) to have their plans and paperwork reviewed by City staff to ensure completeness prior to building permit submittal.

Completeness checks are also conducted for single family, tenant improvements, additions and alterations for the same reasons as described above. Because of the less complex nature of these permits, these completeness checks are conducted at the department counters and a separate meeting is not necessary.

- G. **Access to Permit Related Information** - We continue to enhance and promote the use of www.kirklandpermits.net which allows our customers to track their permits, do property research or view neighborhood-specific information. When customers can find the information that they need on their own, it results in fewer phone calls that take staff away from reviewing the plans on their desks.
- H. **Coordination of Comments and Submittals** - The first correction letter an applicant receives after submittal of a Building Permit application has been improved in two important ways. First, the letter provides information on the status of other departments' reviews and the name and number of the reviewing staff in each department. Second, the applicant is asked to wait to submit revisions until comments have been received from all of the departments. We believe that when the number of revision submittals is reduced, staff will have fewer plans to review and coordinate. We are currently working on sending one correction letter to the applicant that includes all of the departments' comments at once.
- I. **New Redlining Policy** – We drafted a new policy to coordinate residential plan review comments. During the review process, reviewers from each department will meet to decide if their comments can be noted on the plans (redlined) instead of sending a correction letter. Redlining, instead of sending a correction letter, will save the applicant and the City, time and money. Not all corrections can be redlined such as those that require a redesign of the building.
- J. **Kirkland Developers Partnership Forum** – In May 2006, we held the first Developer's Forum. City staff met with developers to discuss their issues and obtain input for improving

our process. The first forum was very successful and a second Forum is to be held on October 12, 2006.

IV. **What are our challenges?**

Overall, our biggest challenge is workload. 2005 broke all previous records for volume and value of permits issued and 2006 is continuing the trend. In 2005, the building division issued 4,212 permits compared to 3,796 in 2004 and is on pace to issue 4,164 in 2006. Aside from managing the workload, the specific challenges that we are working on are as follows:

A. **Expedited Building Permit Review** - This program is offered to all new single family home permits and has been very successful. Applicants must pay an additional 50% of the plan review fee (approximately \$1,700) and are guaranteed a maximum of three weeks for the initial review by the Planning and Building Departments. This is accomplished by the City sending the plans to outside Planning and Building consultants for review. Although customers are generally happy with this program, they have voiced the following concerns/questions:

1. The plan review consultants are not located in City Hall and not as accessible as City staff for face to face meetings.
2. The consultant's comments are not as consistent as City staff comments. Each consultant seems to focus on different areas of the codes.
3. Instead of hiring outside consultants to review the permits, could the City use the additional plan review fee to hire in-house staff to provide the same service?

To address the customer's comments, we are proposing a service package for the 2007/08 budget cycle to replace the outside consultants with in-house staff. We believe this will provide greater service to the builders by improving accessibility and consistency. Also, using in-house staff for the expedited review is estimated to reduce the cost of the program by \$60,000 to \$70,000 per year.

With the upcoming development fee study in 2007, we would like to explore the option of doing away with the expedited fee, and balance out fees, timelines and staff across the board in order to provide all customers faster service.

B. **Recruiting experienced staff** - Hiring experienced staff has proved especially difficult over the last few years and will likely continue into the near future. The main cause is the expanding economy in the Puget Sound region. Most cities are experiencing increased development activity and are hiring more staff to meet the demand. The increased hiring by cities has depleted the pool of available candidates; so to hire new staff we must attract them from other employers. To do this we must offer competitive wages and an attractive working environment. Hiring temporary employees limits our pool of available candidates because the better qualified candidates seek more stable employment.

- C. **Planning for the review and inspection of Totem Lake Mall** - The owners of the Totem Lake Mall are planning to rebuild the mall in two phases over the next four years. According to the owners, plans for the first phase will be submitted in the first quarter of 2007 with construction to begin in the summer of 2007. The magnitude of this project will require additional staff and consultants to create a team dedicated to the review and inspection of the project. The cost of additional staff and consultants will be recovered through permit revenue and sales tax.

Because of the time to recruit, hire and train new staff it is imperative to hire the new staff as soon as possible so they will be effective when the project begins. The recruitment for the Permit Technician, Plans Examiner and Developmental Engineer should begin at the time of the Design Review application.

- D. **Preparing for annexation** - The following is a partial list of the tasks needed to prepare for the potential annexation:

- ✓ Evaluate and potentially revise the organization of Development Services and existing permit processes.
- ✓ Provide input into development of regulations needed for the annexation area.
- ✓ Assist IT in development of parcel based permit system for annexation area.
- ✓ Assist in creating interlocal agreements with King County regarding pending development applications and enforcement cases.
- ✓ Familiarize staff with annexation area.
- ✓ Staff training for annexation.

- E. **Finding space for staff** - As Development Services staff increases, the challenge of finding office space is a very big problem. Like the rest of City Hall, our current space use is completely maximized. We are currently researching a potential remodel to the Main Street/clear story area in City Hall (in front of the Public Works counter) to create additional office space and have proposed an \$80,000 service package to pay for this remodel. If service packages for Development Review staff are approved (such as the Expedited Review and Totem Lake Mall review staff), we will have to create or find additional office space. We are also working with City Hall Space Planning Committee to identify off-site office opportunities.

- F. **Application of the new tree ordinance** - The new tree regulations have been in effect since January, 2006. The regulations include new procedures for staff and customers to learn and apply. For example, Tree Plans are a new addition to application requirements that need to be created, reviewed and inspected. In addition, code enforcement work has increased because the regulations are more stringent. When a violation occurs, it is more likely that fines or appeal hearings will ensue than previously. Developers have raised concerns about the financial impact and implementation of the new regulations as well.

- G. **Working with homeowners** - Most of our building permits are issued to licensed contractors who work with professional architects and engineers to design their projects. However, there are some homeowners who choose to take on construction projects without professional help. Development Services staff is sensitive to their needs and typically extend extra assistance and time for these cases. We have created checklists and handouts for their assistance and are also exploring the idea of creating a handbook to be used by homeowners to help them navigate through the permitting process.

V. How do we compare to other Cities?

Permit Review Timelines

The most frequent issue we hear from applicants is the need for predictability and timeliness of the permit review process. The following two charts compare us with our goals and nearby cities for the first review and overall review time.

Permit Timelines – First Review*

Type of Permit**	Goal	Kirkland (Actual)	Other Jurisdictions
Single Family - New	5 Weeks	7.5 Weeks	5.0 Weeks
Single Family – Add/Alt	4 Weeks	3.1 Weeks	4.1 Weeks
Multi-Family - New	10 Weeks	11.4 Weeks	7.4 Weeks
Multi-Family – Add/Alt	3 Weeks	1.8 Weeks	4.0 Weeks
Commercial – New	10 Weeks	10.1 Weeks	6.8 Weeks
Commercial Add/Alt	3 Weeks	3.3 Weeks	4.7 Weeks
Signs	2 Weeks	2.5 Weeks	2.5 Weeks
Tenant Improvements	1 Weeks	2.4 Weeks	3.1 Weeks

*Data obtained from cities of Bellevue, Bothell, Issaquah, Mercer Island, Redmond and Woodinville. Not all categories are tracked by all reporting agencies.

** Does not include third party expedited review permits.

The above chart shows that for the most part we are very comparable to our neighboring cities. The only category where we lag is review of new single family houses where our review takes 7.5 weeks compared to the average of other cities of 5 weeks. Actually, the majority (60%) of the new single family homes are reviewed in three weeks because they take advantage of our third party expedited review program. Most cities do not have a similar program and the review times for those types of permits are included in this table. If we did average the expedited permits with the regular permits, the table would show that we are getting all initial single family home reviews out in an average of about five weeks.

The reason we are currently averaging 7.5 weeks for the first review of a new house (for the remaining 40%) is because of our staffing level. The summer months seem to be the worse when workload levels and vacation time both peak.

VI. **Staffing levels**

Staff levels are acceptable to maintain the current level of service, however, some service levels may be considered too low and increases may be appropriate. The following areas should be reviewed for possible staff increases.

- A. **Plan Review Turn Around Times** – the time it takes staff to review a set of plans and respond to the applicant with comments is longer than the average of neighboring cities. This is a significant concern to developers. The addition of a plan reviewer in each of the review groups would lower the turn around time to a more acceptable level.
- B. **Fire Inspections** – with the increased construction activity has come the increased need to inspect the fire protection systems installed in new buildings. Also, our ability to provide annual fire safety inspections has not kept pace with the increase in construction over the last five years. This has resulted in many buildings not receiving this important fire/safety inspection. These inspections are needed to eliminate actual fire/safety hazards and to educate building occupants in sound safety practices. Funding sources for this position will be reviewed as part of the fee study scheduled for 2007.
- C. **Fire Protection Engineer** – more and more of the newer buildings constructed in Kirkland require sophisticated, engineered fire extinguishing, detection and smoke removal systems. Because we do not have a fire protection engineer on staff we have relied on consultants to provide this service. Because of the many possible system configurations, consultants are often reluctant to make major decisions without the approval of City staff. This results in additional correspondence and meetings between developers, city staff and the consultants and causes delays in the review process. Having our own fire protection engineer in-house would be more efficient and cost effective. Funding sources for this position will be reviewed as part of the fee study scheduled for 2007.
- D. **Code enforcement** – Currently, the City lacks the staff resources for a centralized code enforcement group. Each department handles their code enforcement independently often without coordination with other departments. It would serve our customers better to centralize and coordinate as much of the code enforcement activity as possible. For example, if Public Works was having difficulties resolving a street tree violation they could turn the case over to the code enforcement group to resolve the case through the legal process that Public Works staff may not be familiar with. With additional code enforcement staff, the City could ultimately unify the enforcement and appeal processes at a more efficient level. A service package has been submitted for the hiring of a ½ time code enforcement officer. Funding sources for this position will be reviewed as part of the fee study scheduled for 2007.
- E. **Customer Assistance** – Both the Building and Public Works Departments are not able to meet the customer needs at our front counter and phones. As an example in Public Works,

it is common to find two or three Development Engineers at the front counter helping to meet the customer inquiry workload; this time at the counter takes away from their ability to review and issue permits. Each Department has submitted a service package to address this problem.

Public Works Office Specialist – A service package has been submitted to hire a permanent full-time Office Specialist to oversee the Public Works front counter and phones. This position will be the main contact for all Public Works inquiries coming to City Hall either in person or via the phone. This position will support all of the Engineering Division as well as the Maintenance Center. Because much of this position's work is related to the water, sewer, surface water, and solid waste utilities, the service package recommends that, in addition to the general fund, each of the utilities cover a portion of the salary. With the addition of this position, it will help free up Engineering Technician time so that they can better assist customers at the counter reduce the reliance on the Development Engineers.

Permit Technician –Due to the increased workload in the building division, the on-call permit technician has been working full time for almost two years. In 2006 this position was converted to a temporary position. A service package has been submitted to convert this position to permanent in 2007.

Administrative Clerk – One of the administrative clerks at the building division front counter is actually assigned to the administrative division of the Fire/Building Department. Due to the reorganization of the administrative division, this position is needed in the administrative division. This will create a void at the building division counter. A service package has been submitted to hire a new administrative clerk.

- F. **Establishing Staffing Levels** - As part of the fee study scheduled in 2007 we plan to create a hiring policy that includes:
1. Establishing goals regarding what percentage of development services staff should be permanent, temporary and consultants.
 2. Establishing guidelines on how to use the development services reserve to subsidize revenue in a down turning economy.
 3. The creation of interdepartmental reports that will compare staff levels to workload and help identify trends in permit activity.

VII. Summary

2006 has been similar to 2005 in terms of permit activity and revenue. Development Services is continually seeking ways to improve the process and expect to make additional enhancements in the coming months; continuous improvement will always be part of our Development Services makeup.

Memorandum to David Ramsay

September 21, 2006

Page 10

Overall, developers say they are satisfied with our process when compared to other cities but have pointed out areas where they would like to see improvements, which include shortening review times. If we desire our review times to match those of neighboring jurisdictions, increases in staffing levels need to be considered.

Attachment: Development Services Organization Chart

Development Services

