



Memorandum

Date: 7/20/2021
Meeting of: City Council

File No. AM No. 21-114
Type: New Business

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
------------------------------------	---------------	--------------

DEPARTMENT STAFF:

Planning and Community Development	Jason Lynch	Assistant Director, Development Services
------------------------------------	-------------	--

TITLE:

Authorization of Six Additional Employee Positions to Assist with the Surge in Development Services Activities and Approval of the Associated Budget Adjustment

- a. Ordinance No. 3042: An Ordinance of the City Council of the City of Redmond, Washington, Amending Ordinance No. 3026 by Making Adjustments to the City's 2021-2022 Biennial Budget, in Exhibit 1

OVERVIEW STATEMENT:

Due to a consistent and sustained high-level of development activity, staff is requesting three (3) Full Time Equivalent (FTE) positions for the Development Engineering Review (DER) Team and one (1) Limited Duration (LTD) position for the Permit Center Intake team to be filled immediately. We are requesting two (2) additional positions to be deployed to Development Services Center staffing as the need arises. Six (6) total positions are requested: (5) FTE and (1) LTD. These positions are all revenue supported.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

Attachment A contains the ordinance required to adjust the budget, and Attachment B contains the staffing authorization for the positions requested. Attachment C contains the revised Planning and Community Development Staffing Authorizations.

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
2021-2022 Adopted Budget
- **Required:**

N/A

- **Council Request:**

N/A

- **Other Key Facts:**

Redmond has experienced consistent development activity throughout the COVID-19 pandemic. The forecast used for budget preparation had development projects declining in the last half of 2021 with Redmond experiencing a steadier rate of development in 2022. As evidenced by the monthly financial reports and the continued robust development activity, that has not been the case. Declines in development activity never materialized and have affected the Development Service Center (DSC) staff's ability to maintain a consistent level of customer service and predictability, and to meet prescribed timelines. Based on information from the Redmond development community and projections from the state economist, the pace of development will likely remain at a robust level throughout the biennium as pandemic numbers decrease and vaccinations increase.

Development Engineering Review

The DSC is experiencing a significant increase in its workload which is greatly impacting the work of the DER team and their ability to consistently meet prescribed timelines. Staff is requesting three (3) FTE positions to support the DER Team so that they can keep pace with the high workload demand and maintain a predictable review timeline. The additional FTEs will allow for more manageable workloads across the team and will allow staff to achieve performance measures and meet timeline goals.

Development Services Center

One LTD position is being requested for two years as a supplemental position to allow for the transition to a one-stop permitting center. This will allow for greater capacity within the building division and provide the needed staffing levels as we streamline processes and implement customer service initiatives. The two (2) additional unspecified FTEs will be deployed to areas of development review where staff's ability to manage work levels might be impacting overall review timelines. The prospective authorization of the (2) additional FTEs will ensure that management can quickly and easily respond to increased demands in development services. These positions would be retained only so long as permit and/or inspection volumes remain high and permit revenues cover the appropriate share of the staffing expense. As revenues decline, staffing levels would be reduced gradually through attrition and redeployment.

OUTCOMES:

The addition of these positions will allow the Development Service Center to:

- Meet the needs of Redmond customers by providing consistent timelines.
- Increase staff retention by creating more balanced workloads and clarifying expectations for existing staff.
- Deliver permits at a more efficient rate while providing a more predictable experience for our customers.
- Prepare to move to a one-stop permit center to better serve our community and provide customer consistency across the intake process.
- Provide additional training to staff and plan for succession without impacting review timelines and customer service.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
Feedback continuously solicited from DSC customers
- **Outreach Methods and Results:**
Meetings are held monthly with the One Redmond Governmental Affairs committee and with the Master Builders Association of King and Snohomish Counties.
- **Feedback Summary:**
Developers are observing increased staff turnover, which diminishes review consistency and predictability. Exit surveys point to heavy workloads as a factor in employee departures. Elongated review timelines caused by turnover and heavy workloads increase the cost of development in the City.

BUDGET IMPACT:

Total Cost:
\$1,530,000

Approved in current biennial budget: ☐ Yes ☒ No ☐ N/A

Budget Offer Number:
000244 Development Services

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☒ Yes ☐ No ☒ N/A

If yes, explain:

Expenditures needed for this request are proposed to be funded using contributions that were generated from permitting and inspection revenue. This revenue has been steadily increasing since the fourth quarter of 2020 and has contributed to the \$26 million General Fund Beginning Balance. Development Services Staffing recommendations for the Beginning Fund Balance were first introduced to Council at the June Finance, Administration and Communication Committee of the Whole meeting.

Funding source(s):
General Fund 100

Budget/Funding Constraints:
N/A

☒ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
June 24, 2021	Committee of the Whole - Finance, Administration, and Communications	Receive Information
July 13, 2021	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
	None currently scheduled	

Time Constraints:

Current hiring processes take 1 ½ - 2 months. We currently anticipate posting four (4) of the requested positions in August and hiring from September - October. Training new hires takes additional time from existing staff. Filling these positions quickly will allow us to get ahead of the additional anticipated workload increases.

ANTICIPATED RESULT IF NOT APPROVED

If a decision is delayed, then recruitment and hiring will be delayed. This would impact the DSC staff's ability to serve the community with predictable and consistent response times. Existing staff continue to be overwhelmed, and the present and anticipated workload is not sustainable. If workload and staffing resources of not properly aligned, Redmond could become a less desirable place to develop and progress toward achieving the community vision could be delayed.

ATTACHMENTS:

Attachment A: 2021-22 Budget Adjustment Ordinance

Exhibit 1 to Attachment A: Summary of 2021-22 Budget Adjustments

Attachment B: Development Services Staffing Authorization

Attachment C: Planning and Community Development Staffing Authorizations REVISED

Attachment D: Presentation