



City of Palo Alto

City Council Staff Report

(ID # 6584)

Report Type: Consent Calendar

Meeting Date: 2/8/2016

Summary Title: Development Center and Business Registry Staffing

Title: Approval of Amendment to Table of Organization by Adding 1.0 Management Analyst in the Development Services Department

From: City Manager

Lead Department: Human Resources

Recommendation

Staff recommends that the City Council amend the Table of Organization by adding 1.0 Management Analyst in the General Fund, Development Services Department.

Background

The City Council passed Ordinance No. 5279 in November 2014 establishing the Business Registry program and on January 19, 2016 amended the original program to exempt small businesses and small non-profits. The Development Services Department is taking a lead in administering the Business Registry Program. As a result of the additional responsibilities being assigned to the Development Center and the current high volume work-load for the existing Development Center staff, a staffing and workload assessment study was contracted by Human Resources. The staffing study concluded that current staffing resources do not support the level of administration and reporting required to meet the demands of this new program and the existing workload exceeds the current level of staffing, therefore staff recommends the addition of one Full-Time Equivalent (FTE) Management Analyst. There is an immediate need to request this position in order to hire and train in a timely manner to meet Business Registry demands and maintain the existing level of service in the Development Center.

Discussion

The Palo Alto Development Center is a "one stop" customer service center which experiences extremely high customer demand for services every day with approximately 4,000 permits issued per year. Since March 2015, the Development Center (DC) Manager and Economic Development Manager have been co-leaders of the Business Registry project. Currently, the day-to-day administration is handled at the Development Center under the DC Manager. The implementation of the Business Registry program has been complex and demanding and has impacted the existing

workload for the DC Manager. The duties in administering the Business Registry involve the following:

- Oversee day-to-day administration of Business Registry;
- Manage outreach and notifications processes as well as timely response to inquiries and answering questions;
- Create reports for status updates to monitor compliance;
- Merger of the Business Registry program with Certificate of Occupancy by assisting in the creation of procedures, interplay with Accela, and training staff; and
- Administer Business Registry payments, fees and refunds.

In order to determine appropriate allocation of new Business Registry work among current staffing and evaluate the demands and requirements to support the existing workload, Human Resources contracted for a staffing and workflow analysis of the administrative support functions in the Development Center Department, including a review of current classifications, and options for supporting the additional responsibilities associated with administering the Business Registry Program and supporting the existing workload. The findings determined that the DC Manager needs additional support to provide required assistance on this key program and to maintain the high level of service currently provided in the Development Center. The analysis concluded that a Management Analyst is the appropriate classification to handle the necessary duties to efficiently operate the Business Registry and provide additional support for Development Center administrative functions. With the existing level of demand in the Development Center and the ongoing responsibilities associated with the Business Registry administration a full time employee is required.

In addition, the findings note that the Development Center Services Department should evaluate the use of contractors in supporting Development Center services since there is an ongoing high demand for inspection and plan review. The review points out that while the use of contractors in the staffing model has provided flexibility to manage fluctuations in demand for services, it has contributed to a high level of turnover of trained and experienced contract personnel. Staff will evaluate the ongoing work-load needs and return with possible recommendations on use of contract personnel during the development of the Fiscal Year 2017 operating budget.

At this time, the only change recommended to the Fiscal Year 2016 budget is to add one FTE Management Analyst to support the Business Registry program and the significant Development Center workload. Attached is an updated Fiscal Year 2016 Table of Organization to reflect the addition of this one FTE.

Resource Impact

The addition of one FTE Management Analyst is estimated to cost \$53,224 for the remainder of the current fiscal year and approximately \$164,040 annually. Sufficient funding is available within the Development Services department's Fiscal Year

2016 budget, through the use of salary savings and unencumbered contract dollars, to fund the additional expenses associated with this position through this fiscal year. Development Services is currently conducting a comprehensive fee study to align the Department's Municipal Fees with expenses. Development Services intends to offset ongoing future expenses associated with this additional position through appropriate adjustments to the Fiscal Year 2017 Municipal Fee schedule with the goal of reaching 100% full cost recovery. Staff will bring forth recommendations to adjust fees and achieve cost-neutrality as part of the development of the Fiscal Year 2017 operating budget, and subsequent Business Registry updates, subject to council approval.