

DATE: August 8, 2006

STAFF: Mike Freeman
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WORK SESSION ITEM FORT COLLINS CITY COUNCIL

SUBJECT FOR DISCUSSION

Initial Findings from the Economic Barriers Outreach Effort.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Does the City Council have any questions about the initial findings?
2. Does Council have any comments or questions regarding the recommendations?
3. Does the City Council support staff further studying potential Code changes and developing more detailed recommendations for Council consideration?

BACKGROUND

As part of the City Council's Policy Agenda for 2006, a goal was adopted to conduct research regarding the development community's perceptions of the City's development review process and City codes. This initiative was named called the Economic Barriers Outreach project.

Staff from the City Manager's office volunteered to organize the outreach to provide a neutral position in the focus groups. Planning staff identified participants and organized the meetings and the City Manager's Office staff facilitated the meetings.

The focus groups included more than 100 participants from all aspects of the development process. Participants included new developers, long-standing developers, residential builders, commercial builders, residential brokers, commercial brokers, business owners, land planners, engineers, architects, and others.

ATTACHMENTS

1. Coloradoan Soapbox - "Business Community Should Make Voice Heard", by Kurt Kastein, Councilmember, District 4, published June 29, 2006.
2. Results of Survey of Outreach Meetings Attendees.
3. Powerpoint presentation with findings and recommendations.

Soapbox
Business Community Should Make Voice Heard
By Kurt Kastein, Council member, District 4

In seven years as a Fort Collins City Councilmember, too often I've heard statements about how the City of Fort Collins is not business friendly. Whether this is fact or perception, it's something this City Council is committed to changing. When City Council developed our 2005-2007 Policy Agenda, one of the top priorities we identified was to "conduct community outreach and dialogue to identify potential barriers to economic health contained within City Plan and the Land Use Code."

Now we're following through on that task. In response to Council direction, City staff recently launched the Business Outreach Project. This project includes a series of small group meetings with "users" of the Land Use Code, two public forums for all business owners, and surveys aimed at soliciting broad input. The goal is to gather information that will help us identify what the City can do to remove barriers and help Fort Collins businesses thrive.

Through initial testing, we've found that the user meetings provide an ideal setting for honest information sharing. Professionally facilitated, these meetings involve six to ten people from the business community who discuss specifics such as the development review standards, City fees, and the policies and procedures of other communities. We're getting a positive response from participants who say they appreciate this opportunity to give direct feedback.

City Council has always valued community input when determining priorities and direction, and this Council has expressed a renewed commitment to citizen involvement. As we actively seek ways to improve our economy, feedback from the business community is critical.

This isn't the first time we've taken a look at our business practices. In the past, the City has examined our development review process. Many of you may have heard of the Zucker Report. It's important to note that the Business Outreach Project does not duplicate that analysis, but instead, compliments it. We can, and are, making process improvements as outlined in that report, but that should go hand in hand with a look at the requirements that are in the Land Use Code itself.

The information-gathering phase of the Business Outreach Project will take place through August. In addition to the specific user meetings, all businesses are invited to attend one of two public forums to be held on Monday, July 10 and Monday, July 17 from 7:30 – 9:30 a.m. at City Hall, 300 LaPorte Avenue. Businesses and all who are affected by our Land Use Code, now is the time to get your voice heard! At the conclusion of the outreach process City staff will consolidate findings and develop recommended actions to present to Council no later than September of 2006.

I'm optimistic that this Business Outreach Project will get us closer to our goal of improved economic health and a successful business climate. To share your thoughts regarding City standards and requirements, or if you have any questions about the process, please contact **Ted Shepard, Chief Planner for the City of Fort Collins** at tshepard@fcgov.com.

RESULTS OF THE SURVEY

At the conclusion of each Outreach Meeting, attendees were asked to fill out a brief survey. The purpose of the survey was to gauge the reaction of the participants' impression of the Staff involved in the development review process. Staff was evaluated on how *Professional*, *Helpful* and *Friendly* they were with regard to the applicant's project on a scale of one to ten.

Initially, only Planning and Engineering (including Stormwater and Utilities) were the subject of the survey. The number of responses is 58.

After the first two meetings, however, we added Building Permit Review and Poudre Fire Review staff as well. The number of responses for these two additional departments is 39.

Results:

Generally, of the 12 questions, all responses were positive (greater than 5) with one exception. The Engineering Staff averaged a score of 4.2 on the *Helpful* question.

For Planning, Engineering and Poudre Fire, the range of responses is broad indicating a level of inconsistency on the part of Staff. The range of responses for Building Review Staff is more compressed indicating a higher degree of consistency.

For all Staff:

- The highest scores were for *Professional*. (7.8, 7.7, 7.1, 6.7)
- The next highest scores were for *Friendly*. (7.4, 6.9, 6.5, 5.2)
- The lowest ranking scores were for *Helpful*. (6.8, 6.4, 5.8, 4.2)

The survey was intended to gather data from informed respondents so areas of improvement could be identified. The results are intended to complement the findings of the outreach meetings.

SURVEY RESULTS

AVERAGE SCORES

Please rate your experience with Fort Collins staff, using a scale of 1 (low) to 10 (high).
Please circle the number that best describes your experience.

Planning Staff (City planners)

N =		Low									High	RANGE
58	Professional	1	2	3	4	5	6	7.8	8	9	10	2-10
57	Helpful	1	2	3	4	5	6.8	7	8	9	10	2-10
57	Friendly	1	2	3	4	5	6	7.4	8	9	10	2-10

Engineering Staff (stormwater, utility and street review staff)

		Low									High	
58	Professional	1	2	3	4	5	6.7	7	8	9	10	1-10
58	Helpful	1	2	3	4.2	5	6	7	8	9	10	1-10
58	Friendly	1	2	3	4	5.2	6	7	8	9	10	1-10

Building Staff (plan check and building permit issuance staff)

		Low									High	
39	Professional	1	2	3	4	5	6	7.7	8	9	10	4-10
38	Helpful	1	2	3	4	5	6.4	7	8	9	10	1-10
38	Friendly	1	2	3	4	5	6.9	7	8	9	10	3-10

PFA Review Staff (fire department staff)

		Low									High	
39	Professional	1	2	3	4	5	6	7.1	8	9	10	1-10
39	Helpful	1	2	3	4	5.8	6	7	8	9	10	1-10
39	Friendly	1	2	3	4	5	6.5	7	8	9	10	1-10

Comments

Presentation of Findings & Recommendations Economic Barriers Initiative

August 8, 2006

1

Background

- The City Council adopted a goal in 2005 to evaluate potential barriers to business in the City's land use codes and in its development review processes.
- City staff held a series of focus groups with differing segments of the development community in Fort Collins and the region to gain their perspectives.
- Following are the summary findings from this work.

2

Major Findings

- The development community is not asking the City to reduce or minimize standards that foster a high quality community but to address overall process improvements and specific changes to the code
- The single greatest opportunity to improve relations with businesses in Fort Collins is to systematically address the development review process

3

Major Findings cont.

- Current Planning staff are seen as “getting it” and the development community is appreciative of the changes that have been made to date – other staff groups involved in development review have not yet changed their approach
- The vast majority of the concerns in the development review process result from poor communication, poor coordination, and a lack of overall leadership throughout the process

4

Major Findings cont.

- Significant changes in the development review process are needed – not incremental
- Staff orientation is reported as finding what is wrong with projects instead of how can we help the applicant make the project successful
- Some staff are reluctant to tell the applicant what they are thinking or wanting – making the applicant “guess” until they get it right

5

Major Findings cont.

- Overall development fees are not the problem – it is the unpredictability of the process that greatly drives up the cost – the inability of staff to resolve conflicts between departments causes most delays
- There are a variety of “code” issues that need to be addressed, but process issues not code issues are the root cause of the majority of concerns

6

Major Findings cont.

- No one individual is accountable to the applicant in the process – staff at all levels of the organization within departments “have veto power”
- Process is not set up to handle exceptions that inevitably come up – have to be able to logically apply intent of the code in situations where the letter of the law can't be met

7

Major Findings Cont.

- There is a belief that staff create requirements for projects that are not based on code provisions – staff can't substantiate where the requirement comes from – seems to really be staff preference

8

The expectation of the applicant is that the that the process will be predictable, timely, logical, accountable, and customer focused

9

Recommendation Predictable Process

- Improve the initial submittal processes
 - Require impacted departments to engage up front and identify issues to avoid comments and concerns surfacing late in the process
 - Develop an overall checklist at conceptual design that identifies potential problems/issues up front in the process
 - Document where requirements come from (i.e. code sections, standards, etc.) – get away from “tribal knowledge” approach
 - Implement project schedule up-front
 - Track overall progress based on up-front schedule that is developed

10

Recommendation Predictable Process cont.

- Clarify the role of Natural Resources in the process
 - What is their actual versus perceived role in the process?
 - What are the code/regulatory requirements they follow in development review?
 - Provide more direction on resolving environmental issues related to specific proposed projects.
- Coordinate Stormwater and Natural Resources responses to applications to ensure consistent application of City codes

11

Recommendation Predictable Process cont.

- Staff need to assist the applicant further in clarifying the desired outcome when there are perceived conflicts between neighborhood plans, sub-area plans, and City Plan

12

Recommendation

Timely

- Continue implementing changes to streamline in-fill and redevelopment projects
 - Evaluate requirements – i.e. on small projects why is a traffic study needed?
 - Evaluate standards for infrastructure – i.e. are existing sidewalks with cracks OK? How to handle utilities connection fees, etc.
 - Continue the implementation of Re-fill Fort Collins
 - Identify methods for meeting Fire Code requirements to accommodate in-fill projects

13

Recommendation

Logical

- Implement internal processes that provide for flexibility in implementing code requirements
 - Continue implementation of Refill modifications
 - Develop separate “paths” for applicants for infill/redevelopment projects v. greenfield
 - Empower staff to logically resolve conflicts or unique circumstances
 - Implement an informal “appeal process” to deal with conflicts that can’t be resolved at a staff level

14

Recommendation Accountable

- Create a one stop development shop
 - Participants estimate that 50% to 75% of the frustrations they have with the development review process would be addressed through a one stop shop concept
 - Aspects of a one stop shop:
 - Project advocate assigned to the applicant
 - Project team assigned who works for advocate
 - Established timelines
 - Create a fee coordinator
 - Current Planning drives the process and resolves conflicts

15

Code Related Issues for Further Assessment

16

Evaluate Warranty Requirements

- Participants noted that the City's warranty requirements for infrastructure improvements are too stringent and require significant re-investments in sidewalks, curbs, and streets following the project completion when they appear to be not needed

17

Standardize Codes Between City/PFA

- Participants reported confusion resulting from differing fire protection codes being used between the City and Poudre Fire Authority

18

Evaluate Parking Standards

- Commercial brokers and developers report that the City's parking requirements create significant concerns – retail developers report clients not developing in Fort Collins due to perceived restrictions on allowable parking

19

Residential Density

- Residential builders reported concerns with standards that result in the inability to build higher end "executive" housing in Fort Collins due to higher density requirements – the perception is that this style of housing is being pushed predominately into Windsor and Timnath

20

Implementation of the “Build to Line”

- In general, the “build to line” requirement in Fort Collins in pushing buildings to the property edge has worked well – however, participants noted that the staff have to be more accommodating of possible alternatives when this requirement is not the best solution – particularly for larger commercial structures

21

Change of Use

- There is disagreement regarding how the City applies the change of use policy – in a number of reported circumstances discussed, there appeared to be the application of this policy when in fact no change of use had occurred

22

Closing

- Staff is seeking input from the City Council on the findings from the Economic Barriers outreach
- Staff have presented initial recommendations for City Council consideration
- Staff request that City Council provide direction for next steps

23