

NOTICE AND AGENDA

**SPECIAL CITY COUNCIL BUDGET MEETING
TUESDAY
JANUARY 22, 2013**

**COUNCIL CONFERENCE ROOM
211 WEST ASPEN AVENUE
12:30 P.M.**

- 1. Call to Order**
- 2. Roll Call**

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR NABOURS
VICE MAYOR EVANS
COUNCILMEMBER BAROTZ
COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER WOODSON

As a reminder, if you are carrying a cell phone, electronic pager, computer, two-way radio, or other sound device, we ask that you turn it off at this time to minimize disruption to tonight's meeting.

- 3. Presentation on budget-related issues**
 - Community Development/Planning/Development - Code Compliance
 - Community Development/Planning/Development - Building Inspection
 - Community Development/Planning/Development - Advance Planning
 - Community Development/Planning/Development
 - Land Trust
 - Compensation
- 4. Input and direction from City Council for February Budget Review.**
- 5. Adjournment**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2013.

Elizabeth A. Burke, MMC, City Clerk

City Council Special Budget Work Session FY 2014

January 22, 2013

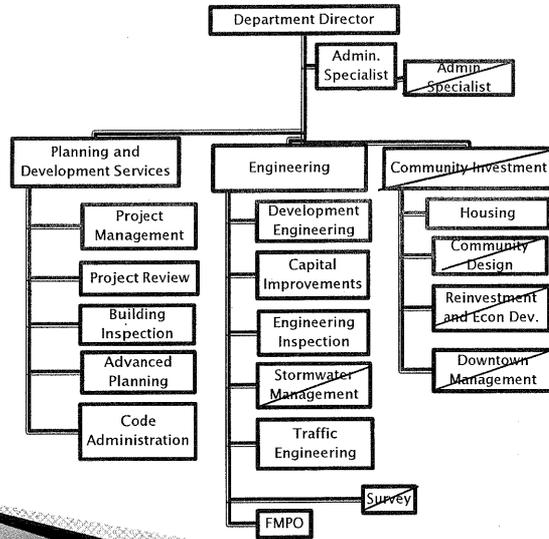
Mark Landsiedel

Community Development Director

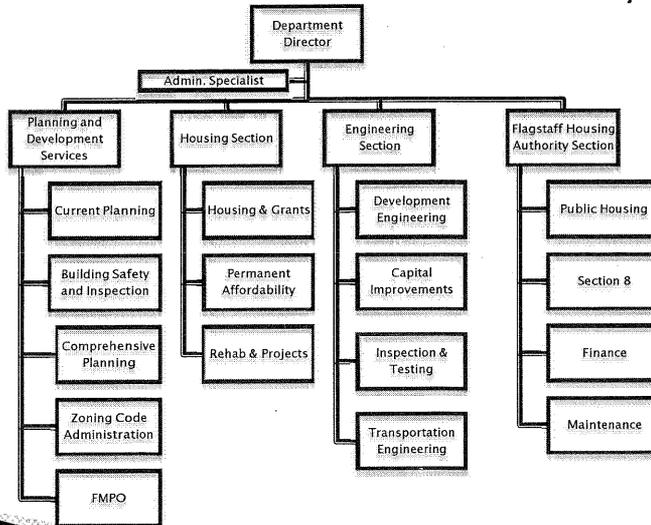
Questions:

- ▶ Community Development/Planning & Development
 - Review of the program budget
- ▶ Building Inspection
 - Allocation of Staff
 - Performance Audits (number of inspections per FTE)
 - Self-certification Pilot Project
- ▶ Code Compliance
 - Review of Revenue, Programs and Administrative Structure
- ▶ Advance Planning
 - What is Advance Planning
- ▶ Land Trust
 - Philosophical argument of why we should be in this business

COMMUNITY DEVELOPMENT DEPARTMENT FY 07/08



COMMUNITY DEVELOPMENT DIVISION FY 12/13



COMMUNITY DEVELOPMENT TABLE OF ORGANIZATION

(84 Staff) = 81.33 Total FTE
Table of Organization FY 12/13
 Mark Landsiedel, Director
 Rita Severson, Administrative Specialist

PLANNING & DEVELOPMENT SERVICES SECTION (26.13) Jim Cronk Director Bonita Sears Administrative Specialists	ENGINEERING SECTION (24.2) Rick Barrett City Engineer Gloria Cervantez Administrative Specialist	HOUSING SECTION (5) Sarah Darr Manager Dorris Wood Administrative Specialist	FLAGSTAFF HOUSING AUTHORITY (24) Mike Gouhin Executive Director
Current Planning (6)	Capital Improvements (7)	Housing & Grants (1)	Public Housing/Flagstaff Housing Corp (5)
Building Safety (9)	Transportation Engineering (3.2)	Permanent Affordability (1)	Section 8 Housing (4)
Comprehensive Planning (2.25)	Inspection & Testing (7)	Rehab & Project Specialist (1)	Finance (2)
Zoning Code Administration (4)	Development Engineering (5)		Maintenance (12)
FMPO (2.88)			

COMMUNITY DEVELOPMENT PLANNING & DEVELOPMENT SERVICES ADMIN BUDGETS FY 12/13

15-CD ADMINISTRATION

PERSONAL SERVICES	\$ 235,241	Full Burden for one Director and one Administrative Specialist
CONTRACTUALS	\$ 45,784	Maint Equipment, Travel, Lodging, Meals, Registration, Education, Training, Postage, Memberships
COMMODITIES	\$ 11,228	Copying, Printing, Non-library Books, Office Supplies, Food, Janitor, Cleaning, Trophies, Awards, Safety

16-PLANNING & DEVELOPMENT SERVICES ADMINISTRATION

PERSONAL SERVICES	\$ 194,440	Full Burden for one Planning Director and one Administrative Specialist
CONTRACTUALS	\$ 6,700	Consultant Fees, Telephone, Maint Equipment, Postage, Advertising
COMMODITIES	\$ 16,850	Office Equip, Copying, Printing, Nonlibrary Books, Office Supplies, Food, Trophies, Awards, Safety

Community Development Five Year Historical Trend

PERSONNEL IN EACH FUNCTION CATEGORY
5 YEAR HISTORICAL TREND

	Fiscal Year				
	2008	2009	2010	2011	2012
Public Safety	275.75	282.75	267.00	260.00	251.00
Public Works	241.89	250.35	159.09	153.59	149.87
Comm Enrich	0.00	0.00	110.43	110.43	112.46
General Admin	80.13	83.88	73.88	72.68	69.56
Utilities	80.25	81.75	70.50	68.50	67.50
Community Dev	99.38	102.38	69.58	61.88	57.38
Housing Authority	0.00	0.00	0.00	23.50	23.50
Mgmt Services	98.78	105.41	38.75	39.00	38.25
Econ Vitality	0.00	0.00	38.26	35.75	34.99
	876.18	906.52	827.49	825.33	804.51
Com. Dev. Post City-wide Reorg.	87.38		69.58		57.38
Percentage of Total	10.00%		8.40%		7.10%

C & C's \$423,082 \$212,763

This decrease from 2008 to 2012 is approx. 50% in
Contractuals & Commodities

PLANNING & DEVELOPMENT SERVICES CY 2008 – 2012

TOTAL BUDGET REDUCTION: 45%

	<u>Work Load</u>	<u>Staffing</u>	<u>Work per person</u>
▶ Planning Cases	-20%	FTE: -50% (6 → 3)	Per FTE: +22%
▶ Building Plan Review:	-1%	FTE: -38% (3.25 → 2)	Per FTE: +60%
▶ Building Inspection	-26%	FTE: -41% (9 → 5.35)	Per FTE: +25%

BUILDING PERMITS 2011 vs 2012

	2011	2012	CHANGE
Total Number of Building Permits			
Residential	46	186	+304%
Non-Residential	22	24	+ 9%
Add/Alt/Convert	187	160	- 14%
Total	255	370	+ 45%
Total Valuation			
Residential	\$ 8,500,000	\$64,100,000	+654%
Non-Residential	\$17,700,000	\$ 7,100,000	- 60%
Add/Alt/Convert	\$ 6,800,000	\$14,500,000	+113%
Total	\$33,000,000	\$85,700,000	+160%

BUILDING PERMITS 2008 vs 2012

	2008	2012	CHANGE
Total Number of Building Permits			
Residential	92	186	+102%
Non-Residential	37	24	- 35%
Add/Alt/Convert	266	160	- 39%
Total	395	370	- 6%
Total Valuation			
Residential	\$25,800,000	\$64,100,000	+148%
Non-Residential	\$34,700,000	\$ 7,100,000	- 79%
Add/Alt/Convert	\$ 24,500,000	\$14,500,000	+ 41%
Total	\$ 85,000,000	\$85,700,000	+ 1%

TOTAL BUILDING PERMITS ISSUED/TOTAL VALUATION

YEAR	Building Staff	PERMITS ISSUED	VALUATION
2007		506	\$ 99,220,825
2008	12.25	395	\$ 85,045,713
2009		302	\$ 51,545,957
2010		274	\$ 37,307,627
2011	7.35	255	\$ 32,930,231
2012	7.35	370	\$ 85,638,067

Potential Development in Flagstaff for 2013:

1. Trail Side Apartments approximately 120 units with 30% affordable located at 600 W University Heights Dr N. Regional Plan and Zoning Map amendments will be required.
2. Mountain Side Apartment approximately 240 apartments located at 927 W Forest Meadows St. A Conditional Use Permit will be required.
3. New #3. Mixed Use/Apartments at Aspen Place. Up to 235 units and up to 29,000 sq ft of retail commercial located at 601 E. Piccadilly. A Zoning Map amendment and Development Agreement amendment will be required.
4. New outdoor outfitter at Sawmill containing approximately 25,000 square feet.
5. Campus Crest 48 apartments at the Sawmill of the previous 60 attached lots. A Conditional Use Permit will be required.
6. Cameron Pine Subdivision approximately 123 single family lots located at 4501 S. Beulah Blvd. Preliminary and Final Plat approval will be required.
7. APS substation located at Fort Tut Hill.
8. New grocery store approximately 70,000 square feet and a commercial subdivision located on the Southern portion of I-40 and Country Club. Preliminary and Final Plat approval will be required.
9. Elden Townhomes 6 units with a land trade and one affordable housing unit located 307 S. Elden Street. A Development Agreement, Preliminary and Final Plat approval will be required.
10. Forest Springs Townhomes Phase 2. 70 lots located at 1115 Flowing Springs, just west of Fourth St. Preliminary and Final Plat approval will be required.
11. Presidio Townhomes 16 new townhomes located in the interior of Presidio. A conditional Use Permit will be required.
12. Switzer Canyon Townhomes conversion of condo plat townhomes located 587 N Switzer Canyon Dr. Preliminary and Final Plat approval will be required.
13. Public Works yard located at (provide address). The project will require annexation, regional plan and zoning map amendments.
14. Traxs commercial development Phase 1: 34,870 sq ft of retail located at Fourth St. & Route 66. The project will require regional plan and zoning map amendments.
15. Phoenix tire company new 15,000 tire sales facility location to be determined.
16. Sega motel redevelopment into new undefined apartment project locate at 800 Block W. Route 66.
17. Tractor Supply 22,000 sq ft of new retail located at 2020 E. Route 66.
18. Crestview manufacture home subdivision containing 119 lots located at 1700 S. northwestern Street.
19. Flagstaff Medical Center administration building and new guardian air facility containing 75,000 square feet located 1901 N. Gemini Drive.
20. Innovation Mesa Phase 1 consisting of 25,000 sq ft of science and Technology Park located at 2400 N. Gemini Drive. Zoning map amendment is under review with the Council.
21. Flagstaff Senior Meadows phase 2. The developer is requesting 48 new units on McMillan Mesa Subdivision.
22. Subdivision of Track F of McMillan Mesa subdivision located at 2101 N. Gemini Drive. Preliminary and Final Plat approval will be required.
23. Railroad Spring Townhomes is expected to build additional townhomes this year. No timeline has been established.
24. Presidio homes are expected to build single family homes. No timeline has been established.
25. College America 26,000 sq ft mixed use building located at 399 S. Malpais Lane. The P&Z commission approved the Conditional Use Permit.
26. Country Club Commercial Development located at 1201 N. Country Club at I-40. A retail commercial development of 225,000 square feet. Concept plat application is on file.



CITY COUNCIL REPORT

DATE: November 26, 2012
TO: Mayor and Councilmembers
FROM: Mark Landsiedel, Community Development Director
Michael Scheu, Building Official
CC: Kevin Burke, Josh Copley, Jerene Watson, Leadership Team
SUBJECT: BUILDING PERMIT COST COMPARISON WITH OTHER CITIES



This report is to inform the City Council of what the City of Flagstaff Building Permit fees are in comparison to other Cities Building Permits fees

DISCUSSION : In January of this year, the Building Official of Pinal County conducted a survey involving various Cities around the State on what is their cost per square foot and the building permit fee would be for a 3000 square foot single family residence. The fees below are building permit & plan check fees only. Mechanical, Plumbing, or Electrical fees are not included due to the many variables, nor do they include any impact fees.

The cost /sq.ft. is cost the City uses to determine the estimated valuation of the proposed construction. For example, for a 3000 sq. ft. home, 3000 X \$67.30 /sq.ft. = an estimated valuation of \$201,900.00. The building permit fee is then determined from the estimated valuation of \$201,900.00.

Table with 2 columns: Cost /sq. ft.; and Building Permit (includes Plan Check). Rows list various cities and their respective costs, including City of Flagstaff at \$67.30 and \$2,981.00, and an Average row at \$96.90 and \$4,039.00.

Impact Fees:

Apache Junction	\$9,139.00
Paradise Valley	\$18,532.00 (Sewer Devel.fee for 1"water meter in affected area)
Litchfield Park	No response
Queen Creek	\$8,941.00 (Parks & Rec., Lib., Police, Street, Fire, Town Facilities.)
Tucson	\$9,980.00 (Roads, Parks, Admin. Police, Fire)
Oro Valley	\$2,784.00 (Residential Devel., Police, Parks & Rec.)
Payson	\$2,735.00 (Public Safety, Parks, Streets)
Flagstaff	\$675.00 (Police, Fire)
El Mirage	Eliminated all impact / development fees

RECOMMENDATION / CONCLUSION

This report is for information only.

CITY COUNCIL REPORT

DATE: December 28, 2012

TO: Mayor and Councilmembers

FROM: Mark Landsiedel, Community Development Director
Mark Sawyers, Current Planning Manager

CC: Kevin Burke, Josh Copley, Jerene Watson and Leadership Team

SUBJECT: Review Time Frames on Various Processes

This is in response to a request from Councilmember Celia Barotz on a survey that was conducted three years ago relating to processing review time frames in various Cities that are typically performed by Community Development Departments.

DISCUSSION

See attached survey.

RECOMMENDATION / CONCLUSION

This report is for information only.

REVIEW TIME FRAMES IN 2009

Municipality	1Site Plan	2Preliminary Plat	3Rezoning Request	4Conditional/ Special Use Permit	5Grading Permit			6Public Improvement Plans			7Building Permit			8Small Tenant Improvement			9Small T.I.A.			10Large T.I.A.
					1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	
Flagstaff	21 days	71 days	71 days	46 days	30	15	15	30	15	15	27	10	5	21 days	35	14	14	49 days		
Gilbert	60 days	120 days	150 days	120 days	35	21	14	35	21	14	28	14	14	21 days	35	21	14	35 days		
Goodyear	days	78 days	78 days	78 days	21	14	14	21	14	14	35	21	21	28 days	21	14	14	21 days		
Mesa																				
Payson	28 days	63 days	126 days	63 days	14	7	7	14	7	7	35	20	20	20 days	14	7	7	28 days		
Prescott																				
Surprise	56 Days	56 days	70 days	56 days	28	28	28	28	28	28	28	14	14	56 days	7	7	7	21 days		
Tempe	49 days	70 days	119 days	42 days	20	15	5	20	10	5	20	10	10	6 days	21	14	14	21 days		
Yuma	25 days	61 days	121 days	61 days	15	10	10	15	10	10	15	10	10	17 days	15	10	10	25 days		

1 What is staff average review time (in days) for processing a site plan (appx new 3000 sq ft restaurant with proper zoning)?

2 What is the average staff review time (in days) to process a preliminary plat (50 lots) from the application to City Council Approval?

3 What is the average staff review time (in days) to process a rezoning request (10 acres) from the application to City Council Approval?

4 What is the average staff review time (in days) to process a conditional/special use permit from the application to approval?

5 What is the average staff review time (in days) to process a grading permit from the application to approval? (Based on a 3000 sq ft restaurant on a ¼ acre parcel.) First Review time? Second Review time? Third Review time?

6 What is the average staff review time (in days) to process public improvement plans from the application to approval? (Based on a 3000 sq ft restaurant on a ¼ acre parcel.) First Review time? Second Review time? Third Review time?

7 What is the average staff review time (in days) to process a building permit from the application to approval? (Based on a 3000 sq ft restaurant on a ¼ acre parcel.) First Review time? Second Review time? Third Review time?

8 What is the average staff review time (in days) to process a small tenant improvement building permit from the application to permit?

9 What is the average staff review time (in days) to process a small traffic impact analysis from the application to approval? Review time? Second Review time? Third Review time?

10 What is the average staff review time (in days) to process large traffic impact analysis from the application to approval?

Self-Certification Programs Ideas for Flagstaff

Pilot program:

- TI's for smaller commercial projects.
- This is an "at-risk" program.
- Fire plans are not eligible.

Requirements:

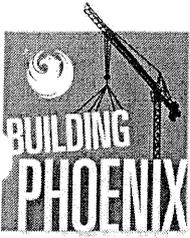
- Similar to Phoenix
- Architects and Engineers registered in AZ and plan review certificated.
- We will honor the Phoenix certification.
- Local training is required for about 1 week.

Mike's Meetings:

- NABA, 3 meetings including next Wednesday.
- Proposed to meet with local AIA group in Jan.
- Proposed to meet with local engineer group in Jan/Feb.

Council:

- Entire updated building code scheduled for council action in March/April
- This would include the Self-Certification Program.



Self-Certification Program Program Overview

The Self-Certification Program allows a registered professional to bypass the normal plan review process and get permits in one day. Participating professionals must meet minimum qualifications and attend a Self-Certification training class.

Professional Qualifications

- Architect or structural engineer registered in Arizona for at least three years to certify building plans
- Landscape architect registered in Arizona for at least three years to certify landscape plans
- Civil engineer registered in Arizona for at least three years to certify grading and drainage plans
- Successful completion of self-certification training from the Planning & Development Department

Submittal Requirements

- Building projects must obtain all planning, zoning, grading and drainage approvals and building code modifications as necessary prior to the city's intake of the plans.
- Civil, Landscape or Parking Lot projects must obtain all planning, zoning, site, off-site civil, site fire, addressing, and alternative paving approvals as necessary prior to the city's intake of the plans.
- For buildings less than 25,000 sf, a Structural Peer Review Certificate by a city-approved Structural Peer Reviewer is required for projects with structural scope of work.
- For buildings greater than 25,000 sf, the city will perform an automatic audit in place of the structural peer review.
- All Fire plans and permits cannot be self-certified.
- All plan sheets must be sealed by a professional registered in the State of Arizona
- Additional program requirements for all projects include: a hold-harmless letter signed by all registrants, a building owner/tenant indemnification letter, and a copy of the Self-Certified Professional's Certification of Insurance.
- Current forms and checklists are on-line at http://phoenix.gov/pdd/topics/program_information.html

Eligibility

Project scope of work must comply with the Self-Certification Program Eligibility Chart

Eligible projects include:

- Interior alterations and tenant build-outs of business, mercantile, factory, assembly, and storage.
- New construction of residential or commercial buildings up to 4 stories
- Landscape inventory, salvage, and new landscape plans
- Grading, drainage, and parking lots

Projects not eligible:

- New high-rise buildings (most tenant improvements inside existing high rise allowed)
- Projects located in Hillside Development Areas
- Extra large assembly occupancies (A4 & A5)
- Hazardous Occupancies
- Projects in FEMA Special Floodplain Hazard Areas

For more information refer to our website at <http://phoenix.gov/pdd/scp.html> or contact Deborah Larkins at 602-495-0265.



Planning and Development Services Memo

January 10, 2013

TO: Mayor and City Council
Kevin Burke, City Manager

THROUGH: Jerene Watson, Deputy City Manager
Mark Landsiedel, Community Development Director
Jim Cronk, Planning Director

FROM: Roger E. Eastman, AICP, Zoning Code Administrator

RE: Mini-Budget Retreat – Community Development Division;
Code Compliance (Enforcement)



This memorandum provides information to the City Council for the January 22, 2013 Mini-Budget Retreat regarding the Code Administration and Compliance Program within the Community Development Division. Included is a discussion of the following:

- Why was the Public Works Division enforcement staff merged with the enforcement staff in the Community Development Division enforcement staff?
- A review of revenue, programs and administrative structure.

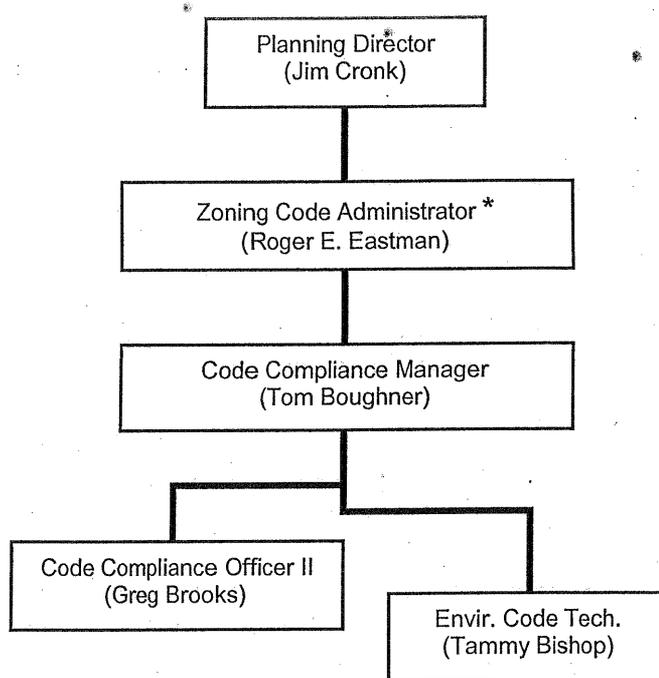
Following months of ongoing discussion under the original leadership of Deputy City Manager Ben Fisk and later Deputy City Manager Jerene Watson, Erik Solberg (Public Works Director) and Mark Landsiedel (Community Development Director) agreed that it would be in the best interests of the City if Tom Boughner (formerly Environmental Code Specialist) and Tammy Bishop (Environmental Code Technician) were moved from the Sustainability and Environmental Management Section (SEM) to work under the supervision of the Zoning Code Administrator in the Planning and Development Services Section.

There are numerous advantages and efficiencies that were gained from this reorganization consistent with the City Manager's and the City Council's goals for more efficient and cost effective governance. This reorganization ensures that there is increased cooperation and appropriate cross-training of the staff on enforcement cases. This in turn has resulted in the elimination of organizational and operational inefficiencies and duplication of effort, a reduction in expenses, and improved customer service. Further, the organizational confusion related to "who does what?" by external and internal customers has also been satisfactorily resolved.

The reorganization was approved in May 2012 and became effective on July 1, 2012. As shown on the organizational chart on the following page Tom Boughner (reclassified as Code Compliance Manager) and Tammy Bishop were moved into the Community Development Division under the direct responsibility of Roger Eastman (Zoning Code Administrator) and Jim Cronk (Planning Director). Both of these employees will continue to be funded in the long

term from the Environmental Services Enterprise Fund as full-time employees because they will continue to primarily perform their current responsibilities and duties. Tom Boughner will continue to supervise Tammy Bishop as well as Greg Brooks, the existing Code Compliance Officer II, in the Community Development Division.

Consistent with all Arizona cities, Flagstaff has adopted codes by ordinance approved by the City Council to protect the public health, safety, and welfare of the residents of the city. These codes include the Zoning Code, with its standards, procedures, and regulations, as well as various environmental and nuisance provisions. Under the direct supervision of the Zoning Code Administrator, the Code Compliance Manager is responsible for the uniform administration, implementation, and enforcement of these regulations for the benefit of the residents of Flagstaff consistent with the City Council goal of "effective governance" through the supervision of the code staff employed to assist with this important task.



* Note that the title of Zoning Code Administrator title be changing to "Comprehensive Planning and Code Administrator"

Partial Organizational Chart for the Combination of City Code Compliance Staff within the CD Division

A summary of code compliance cases from January through November 2012 is provided below:

Volunteer Cleanups (Adopt-an-Avenue, Adopt-a-Park, Community Cleanups, etc.)

No. of Cleanups	No. of Volunteers	No. of Hours	No. of Bags Disposed
195	2,022	3,434	1,315

Code Compliance Activity (Cases and Permits)

Total Permits (e.g. Signs, Minor Improvement, Home Occupation)	Total Reviews (Liquor Licenses, Zoning Verifications, etc.)	Total Code Compliance Cases
421	71	Code Compliance: 453 Sidewalk clearing: 322

A summary of the current FY12/13 budget for combined Code Administration and Compliance Program is provided below:

	Environmental Code Compliance Program	Zoning Code Admin. and Compliance Program	Combined Code Admin. and Compliance Program
Salary Costs	\$127,366	\$167,786	\$295,152.00
Contractuals	\$28,080	\$6,545	\$34,625.00
Commodities	\$14,533	\$4,050	\$18,583.00
Total	\$169,979	\$132,098	\$302,077.00

If you have questions on this memorandum, or require additional information, please contact me at (928) 213-2640 or via e-mail at reastman@flagstaffaz.gov.



Planning and Development Services Memo

January 10, 2013

TO: Mayor and City Council
Kevin Burke, City Manager

THROUGH: Jerene Watson, Deputy City Manager
Mark Landsiedel, Community Development Director
Jim Cronk, Planning Director

FROM: Roger E. Eastman, AICP, Zoning Code Administrator

RE: Mini-Budget Retreat – Community Development Division;
Data Summary – Code Compliance Activity (Jan. – Dec. 2012)

This memorandum includes a summary of the activities of the Code Administration and Compliance Program from January through December 2012.

A summary of all permits issued, reports and reviews completed, and code compliance cases worked is provided below:

TOTAL PERMITS: 421

- 149 Temporary Sign Permits
- 105 Permanent Sign permits
- 83 Home Occupation permits
- 84 Minor Improvement permits

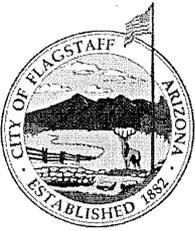
TOTAL REPORTS AND REVIEWS: 71

- 22 Liquor License Reports
- 26 Sales Tax License Reviews
- 23 Zoning Verification Letters

TOTAL CODE COMPLIANCE CASES: 775

- 224 Zoning Code cases
- 77 Litter cases
- 76 Solid waste related cases
- 34 Abandoned vehicle on private property cases
- 42 Other cases
- 322 Sidewalk clearing (mostly snow removal) cases

If you have questions on this memorandum, or require additional information, please contact me at (928) 213-2640 or via e-mail at reastman@flagstaffaz.gov.



Planning and Development Services Memo

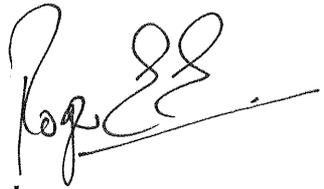
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Kevin Burke, City Manager

THROUGH: Jerene Watson, Deputy City Manager
Mark Landsiedel, Community Development Director
Jim Cronk, Planning Director

FROM: Roger E. Eastman, AICP, Zoning Code Administrator

RE: Mini-Budget Retreat – Community Development Division;
Advance or Comprehensive Planning



This memorandum provides information to the City Council for the January 22, 2013 Mini-Budget Retreat regarding the proposed reorganization of the Advance Planning Program as it is known today under the City's Zoning Code Administrator within the Community Development Division. Included is a discussion of the following:

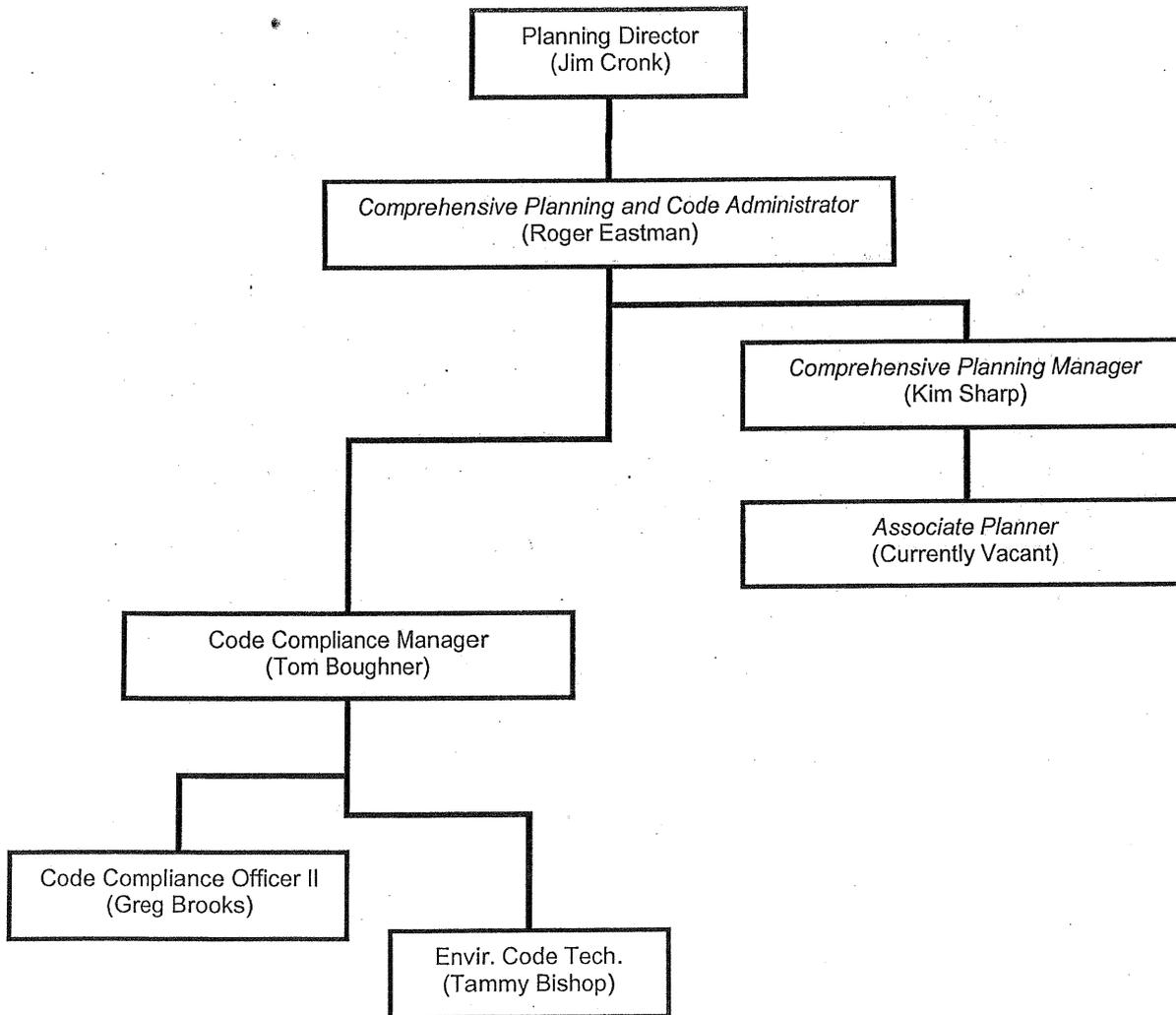
- Why is the Advance Planning Program being combined under the supervision of the Zoning Code Administrator in the Community Development Division?
- What is advanced planning, and why do we do it?
- What will Advance Planning staff do after the Regional Plan is adopted?

During the budget process for the current fiscal year, the City Manager directed the Community Development Director to combine the Advance Planning Program with the Code Administration and Compliance Program into a new Program that will be called the "Comprehensive Planning and Code Administration Program". Under this reorganization the Advance Planning Program will be renamed the "Comprehensive Planning Program" and the Zoning Code Administrator will be renamed the "Comprehensive Planning and Code Administrator". In September this year the necessary paperwork in support of this reorganization was submitted to the Human Resources Division. Approval of the reorganization is expected soon.

Combining these two programs makes sense because of the close relationship between the Regional Plan and the zoning code, and it will result in numerous advantages and efficiencies consistent with the City Manager's and the City Council's goals for more efficient and cost effective governance. The reorganization will also ensure that there will be increased cooperation of the staff resulting in improved organizational and operational efficiencies, better use of in-house planning resources, and improved planning functionality. This later point is very important because it means that under the supervision of the Comprehensive Planning and Code Administrator (CPCA) - formerly the Zoning Code Administrator - three closely related functions will be coordinated and administered. This includes:

1. The combination of all regional and local planning functions to ensure more effective administration and implementation of the Regional Plan through the coordination and development of needed master plans and specific plans under the supervision of the Comprehensive Planning Manager.
2. As the zoning code is an important tool used to implement the Regional Plan, consistent with ARS § 9.462-05, the CPCA is responsible for the administration, interpretation, and enforcement of the zoning code.
3. The CPCA will also supervise the Code Compliance Manager and his/her staff responsible for the enforcement of the zoning code and various other titles of the City Code.

Provided below is an organization chart showing how Comprehensive Planning and Code Compliance staff are organized under the Comprehensive Planning and Code Administrator.



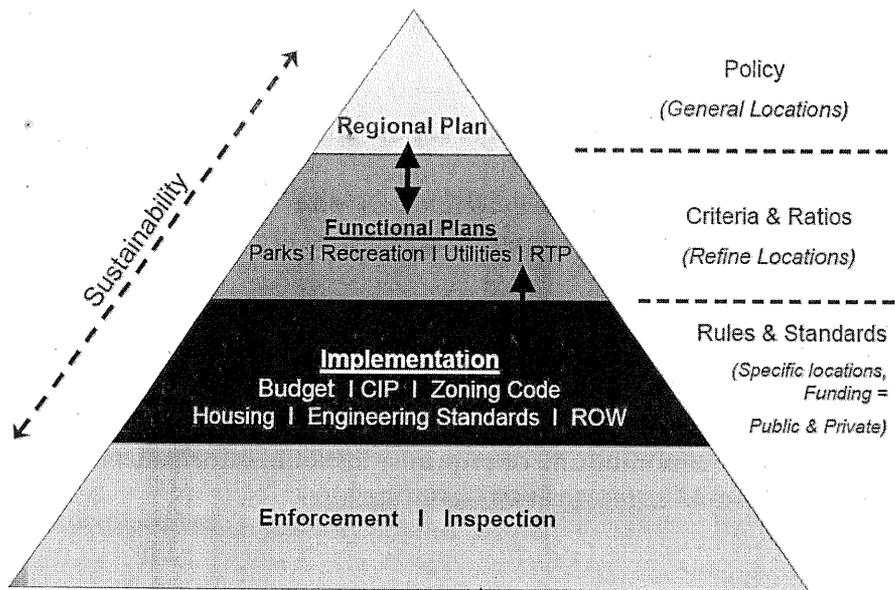
Note: – all new titles are shown in *italic font*

Section and Program Titles:

Planning and Development Services Section – Jim Cronk; Planning Director

New: Planning and Code Administration Program – Roger E. Eastman, AICP; Comprehensive Planning and Code Administrator

Advanced Planning or “Comprehensive Planning” as it will be referred to in Flagstaff is traditionally organized as part of a city’s development and planning division or department. The primary responsibility of the Comprehensive Planning team is the administration, implementation, and update of the City’s General Plan or Regional Plan which establishes the vision for the future growth and development of Flagstaff and its surrounding area through clearly articulated goals, policies, and objectives. The Regional Plan is implemented by such tools as various adopted City master plans (e.g. Parks and Recreation Master Plan or Utilities Master Plan) as well as various standards and regulations such as those established in the Zoning Code, Building Code, Fire Code, or other City Codes. This relationship is clearly represented in the illustration below.



The Comprehensive Planning team serves as a guiding voice in overall, community-wide decision making by working closely with staff from many City Divisions to ensure that the adopted Regional Plan is implemented appropriately, and that new projects and proposals are consistent with the Regional Plan’s goals and policies.

Examples of the work performed by the Comprehensive Planning staff especially after the Regional Plan has been adopted include the following:

1. Forecasting future conditions and needs and coordinating with the FMPO and the Utilities Division – population growth, job growth, land and space needs, connectivity needs, etc.
2. Identifying larger community concerns and providing strategies to address concerns and Council goals in tandem.
3. For the Community Development Division preparing, maintaining, and implementing long-range plans, specific plans, master plans, and the General (Regional) plan.
4. Oversees the implementation of the General Plan by;
 - a. Working with all divisions in their annual and strategic plans, e.g. *Economic Development Strategic Plan, Housing Annual Action Plan*

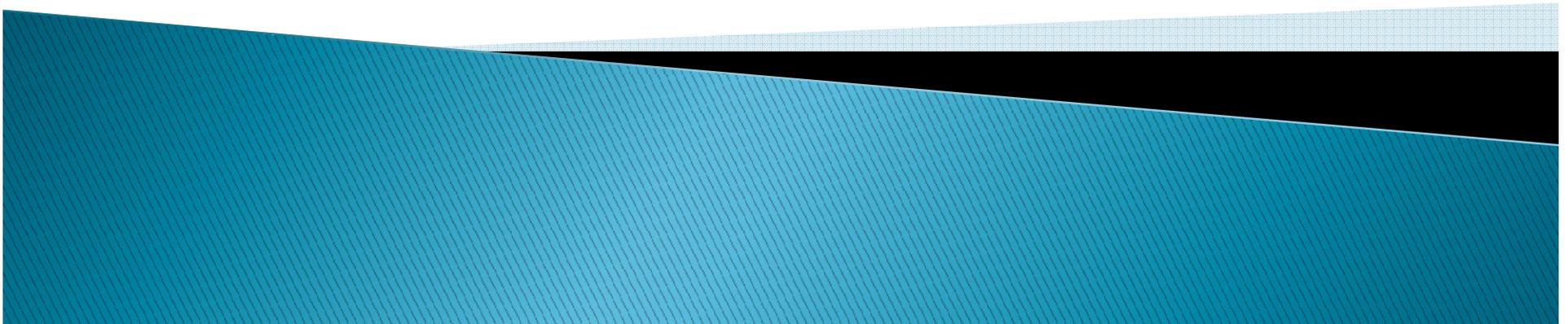
- b. Working with departments developing master plans, e.g. *Parks and Recreation Organizational Master Plan*
 - c. Working with outside agencies to coordinate long-range visions and planning efforts (state and federal agencies, local school district, university, department of transportation / MPO, bicycles, transit, urban forestry, etc.), e.g. *Walnut Canyon Special Area Study*
 - d. Member of development oversight team, ensuring large development projects are effectively implementing the community vision, e.g. *Juniper Point / Canyon del Rio*
 - e. Member of Property and Development Committee, assisting with understanding options and potential implications to the larger community, e.g. *government owned properties, larger infrastructure needs*
 - f. Member of the team which develops the annual Capital Improvement Program (CIP).
5. Serves as the coordinator/project manager for Specific Area Plans.
 6. Coordinates, collaborates, and oversees Neighborhood Plans (not neighborhood programs), historic districts, redevelopment area plans, etc.
 7. Reviews and processes major/minor Regional Plan amendments.
 8. Publication of an annual report as required by state law.

If you have questions on this memorandum, or require additional information, please contact me at (928) 213-2640 or via e-mail at reastman@flagstaffaz.gov.

Permanent Affordability aka – “Land Trust”

Sarah Darr

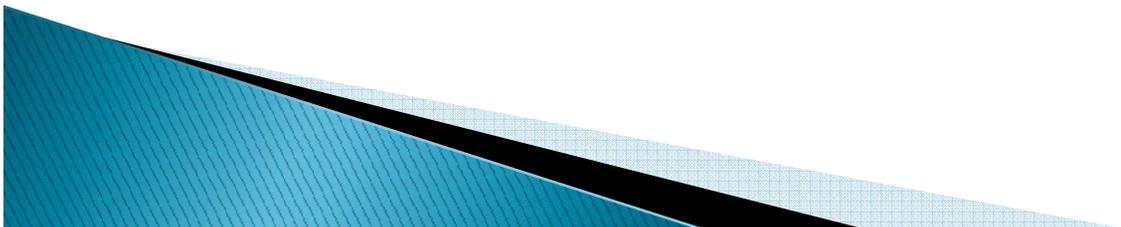
January 22, 2012



The Question

Land Trust

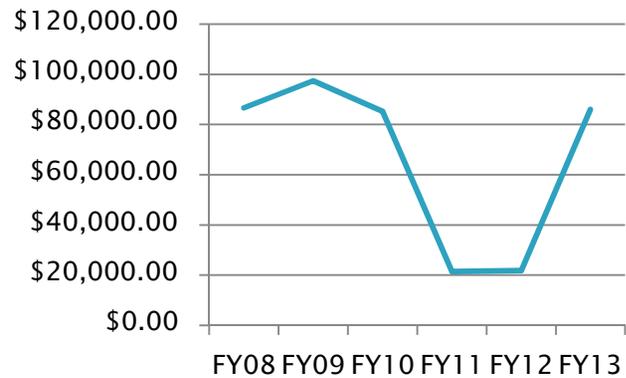
- ▶ What's the philosophical argument of why we should be in this business?



Budget

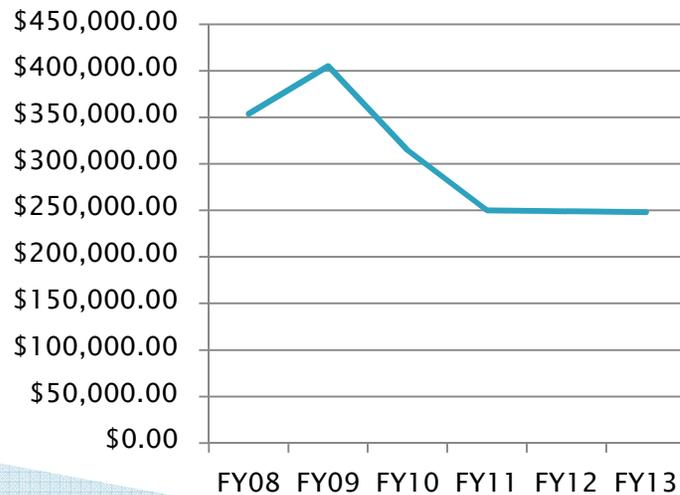
FUND	SECT #	SECTION NAME	PROGRAM	FY13 BUDGET	FTE
GENERAL	19	HOUSING	LAND TRUST	85,964	1.00

Budgeted for "Land Trust" (1902)

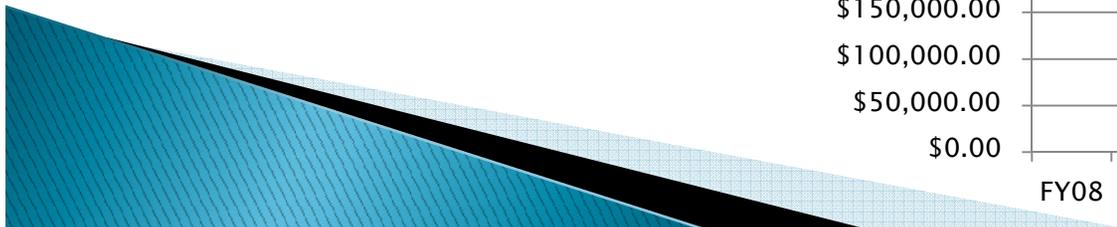


— Budgeted for "Land Trust" (1902)

Budgeted for Housing Program including Land Trust (19)



— Budgeted for Housing Program including Land Trust (19)

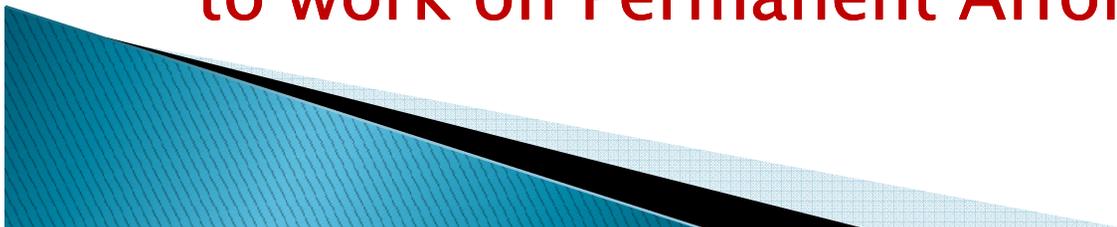


Permanent Affordability Staffing

- ▶ Functional reorganization of Housing Section staff responsibilities approved and reflected in Budget – still pending in Human Resources

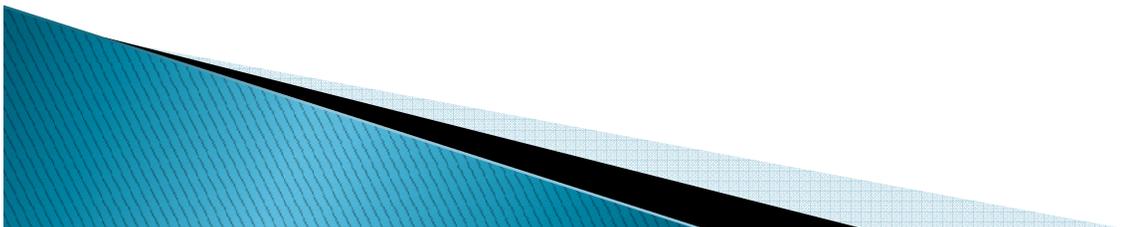
Fiscal Year	Action	Position Total	General Funded Positions
2010	Reorg to cut GF Budget - Move Project Manager to grant funded Housing Rehab Program	6	4
2011	Reorg to cut GF Budget – Combine Land Trust and Rehab Program (eliminated .75 GF position)	5	3.25
2012	Reorg to absorb work program Housing Planner position	5	3.25

- ▶ **CONCLUSION – approximately .25 FTE allocated to work on Permanent Affordability**

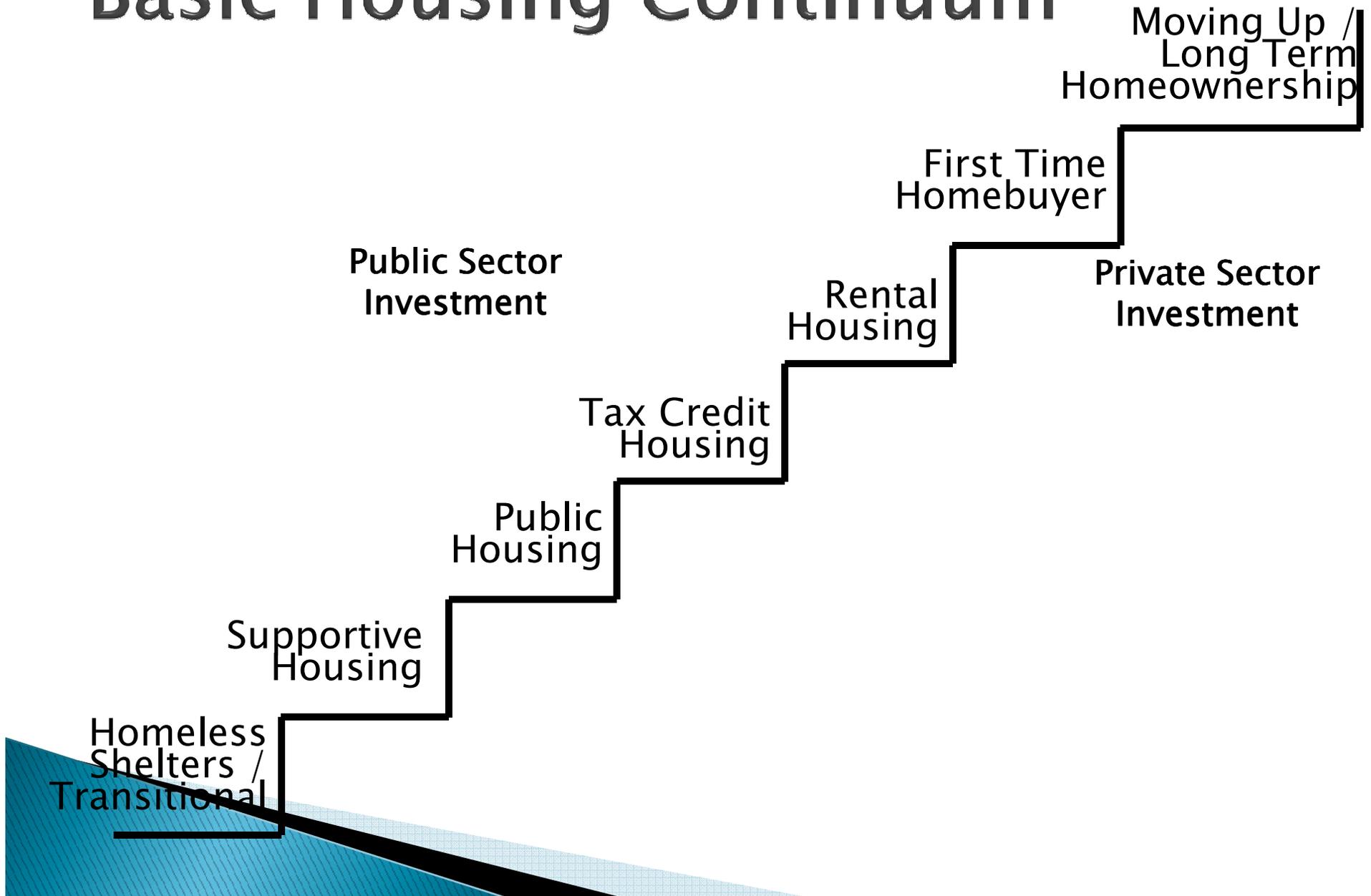


What is “Affordable Housing”?

- ▶household to pay no more than 30 percent (30%) of its annual income on housing. (Source: U.S. Department of Housing and Urban Development)
- ▶ Households that pay more than 30 percent of their income for housing are considered **housing cost burdened** and may have difficulty affording other necessities such as food, clothing, transportation and medical care.



Basic Housing Continuum



Background and History

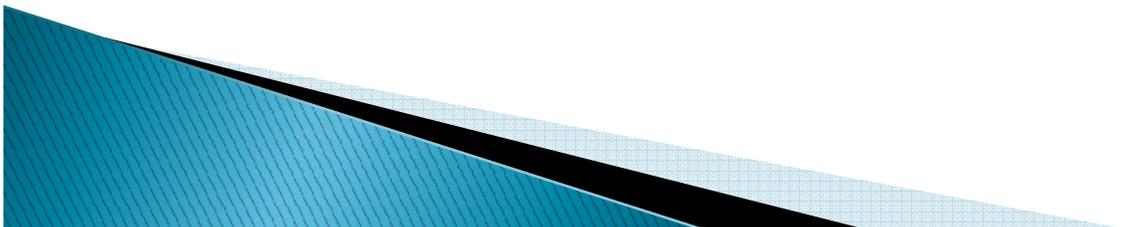
- ▶ 1997 – City Council created a program to assist middle income households with downpayment and closing costs (125% AMI)
- ▶ December 2005 – Housing Policy Task Force
 - “The Task Force recommends that policies and incentives be tied to owner occupancy, or rental units inhabited by full time community residents with, wherever possible, permanent affordability ensured by a legally sound mechanism.”
 - Workforce Housing – housing that is affordable to residents, or potential residents, who earn up to 150% of the Area Median Income for their family size, when they are spending no more than 35% of their gross income on housing.



Background and History

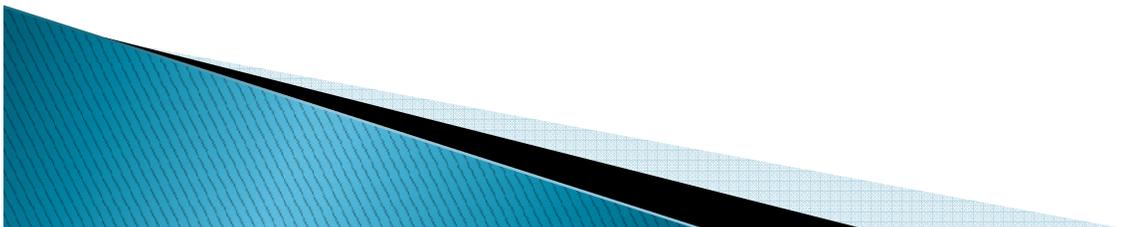
Land Trust Program

- ▶ City Council directed creation of a Land Trust Program through:
 - Budget goals for 03/04 and 04/05
 - Program budget and staff position in the 05/06 budget
 - Position re-titled to encompass “Permanent Affordability” in FY11



Why homeownership?

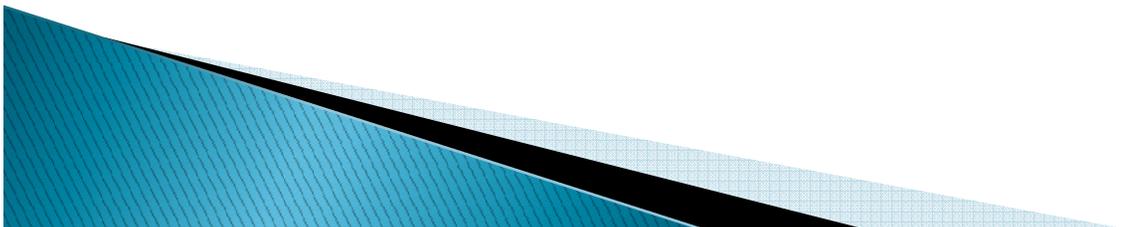
- ▶ Flagstaff Ownership / Rental rate hovers around 50/50
 - Arizona = 66% Ownership (2010 Census)
 - National = 65% Ownership (2012 Census estimate)
- ▶ Homeownership is known to stabilize:
 - Communities
 - Neighborhoods
 - Households



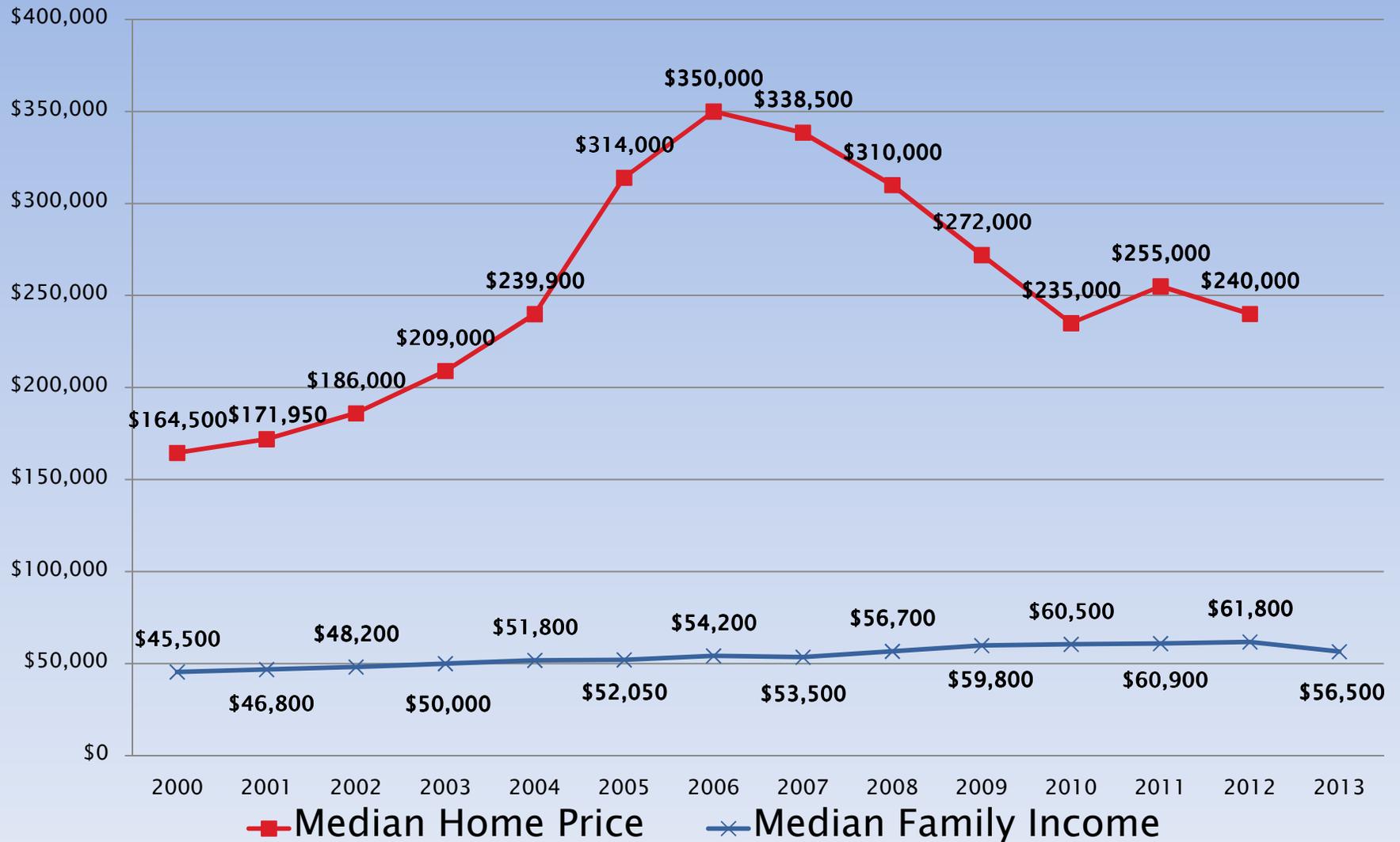
Background

In Flagstaff in the past 12 years:

- ▶ Home prices have gone up 52% – even taking the “market correction” into account
- ▶ Fair Market Rent has increased 67%
- ▶ Area Median Income has increased 24%



Flagstaff Median Home Prices vs. Median Family Income



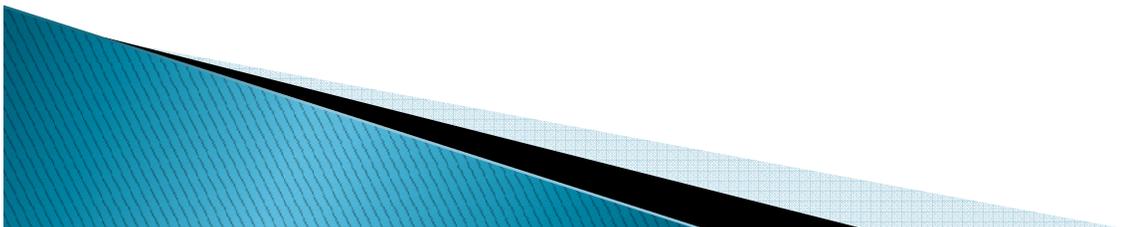
Fair Market Rents Flagstaff, AZ – UT MSA Established by HUD 2013

0 BR	1BR	2BR	3BR	4BR
\$733	\$852	\$1066	\$1353	\$1724

Income Required to Afford Fair Market Rent

(30% of gross income allowed for housing expense)

0 BR	1BR	2BR	3BR	4BR
\$29,320	\$34,080	\$42,640	\$54,120	\$68,960



Flagstaff Housing Affordability for Homebuyers and Renters for Common Occupations - *2011*

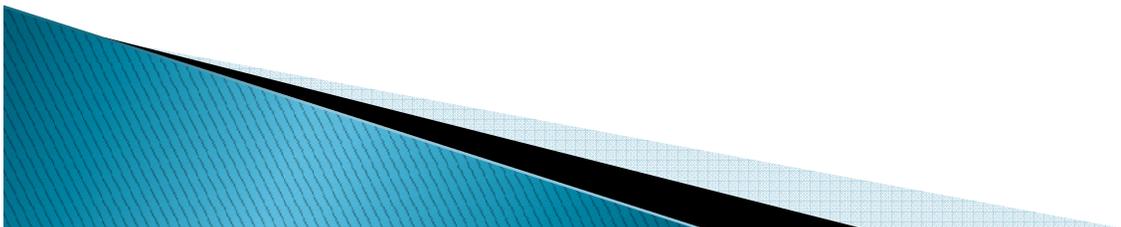
Median Home Price	Hourly Wage Needed to Buy	3 Bdrm Apartment Monthly Rent	Hourly Wage Needed to Rent	Cannot Afford to Buy or Rent		Can Afford to Rent but NOT to Buy		Can Afford to Rent or Buy	
				Occupation	Wage	Occupation	Wage	Occupation	Wage
\$284,900	\$30.14	\$1,461	\$28.10						
Area Median Income %	103%		96%	Waitperson	\$8.68	Architects	\$28.36	Civil Engineer	\$33.20
<p>Based on the median home price (all sizes) for Flagstaff, the fair market wage for a 3 bedroom rental, and a representative sample of median hourly wages for Flagstaff; the occupations in the left hand column cannot afford to rent or buy based on these figures. The middle column occupations can afford to rent but not to buy, and the right column can afford to rent or buy.</p> <p>These statistics were derived from end of year MLS data for median home price in Flagstaff, U.S. Department of Housing and Urban Development for Fair Market Rents, and workforce.az.gov for 2011 Occupational Employment & Hourly wage estimates.</p>				Retail Worker	\$9.77	School Psychologists	\$28.82	Physical Therapist	\$36.03
				Bank Teller	\$11.20	Medical Technologists	\$29.03	Registered Nurse	\$36.51
				Total All Occupations	\$14.50	Claims Adjuster	\$29.43	Veterinarian	\$38.45
				Automotive Repair Mechanics	\$17.32			Pharmacist	\$59.87
				Firefighter (2912)	\$17.64				
				Police Dispatch	\$18.05				
				Teacher	\$19.37				
				Paralegal	\$19.45				
				Lodging Managers	\$23.98				
				Police Officer	\$24.51				
				Librarian	\$24.79				

Incomes tend to rise

However....

Housing prices rise faster.

This creates an affordability gap.



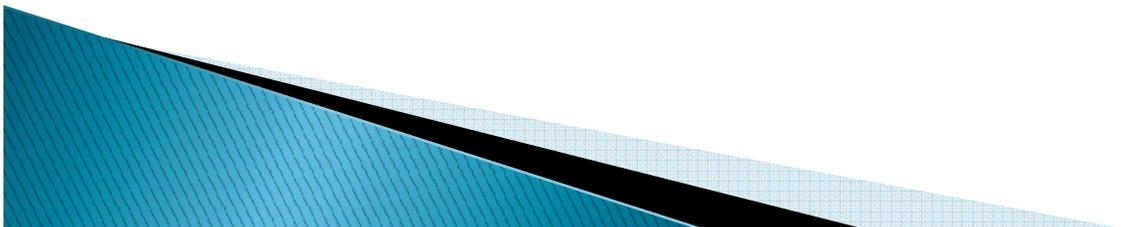
Previous Programs: Subsidy Recapture

Subsidy Recapture

Investment is made to an individual household to assist with the purchase of a home

Money is repaid upon sale, cash-out refinancing or non-owner occupancy

Not a long term solution leading to the permanent preservation of housing affordability and public subsidy.

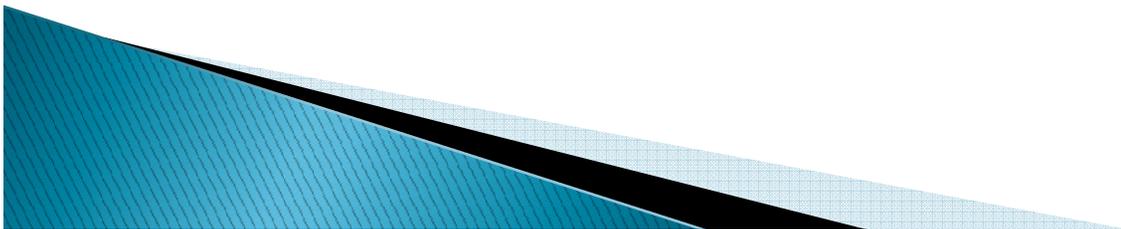


Subsidy Retention

Subsidy Retention

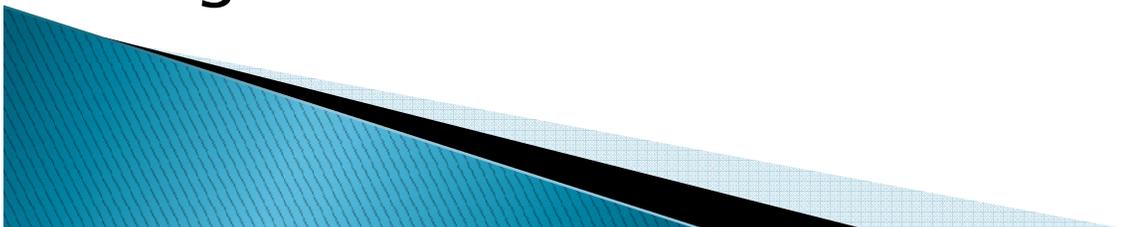
Investment is made or retained in land under a home and grows as any other land investment providing sustainability.

Subsidy retention through permanent affordability retains the public investment and provides permanently affordable workforce housing.



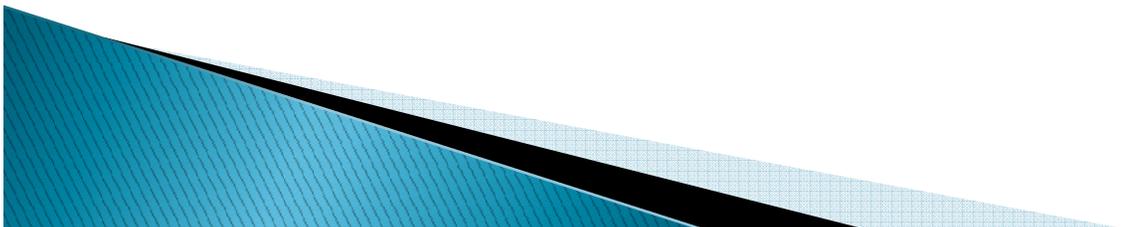
How does permanent affordability work?

- ▶ Homebuyers are asked to share the affordability that was created for them with future homebuyers
- ▶ Homebuyers agree to a *resale formula* in order to maintain the affordability
- ▶ The benefit of public and private affordability subsidies are preserved for future generations



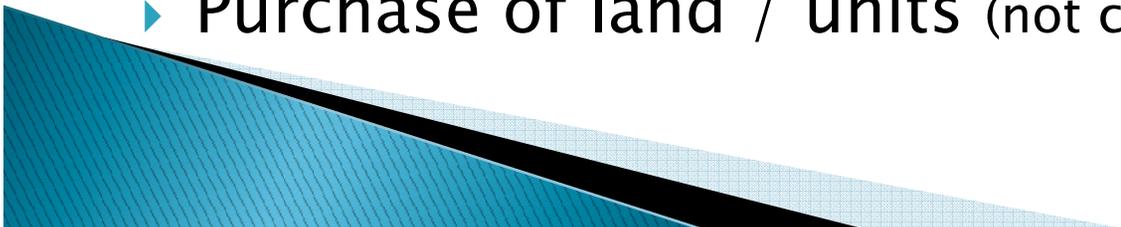
How can *permanent affordability* be accomplished?

- ▶ Land Trust Program
- ▶ Deed Restriction
- ▶ Covenant
- ▶ Affordability Plan / Development Agreement



Methods of Increasing Inventory

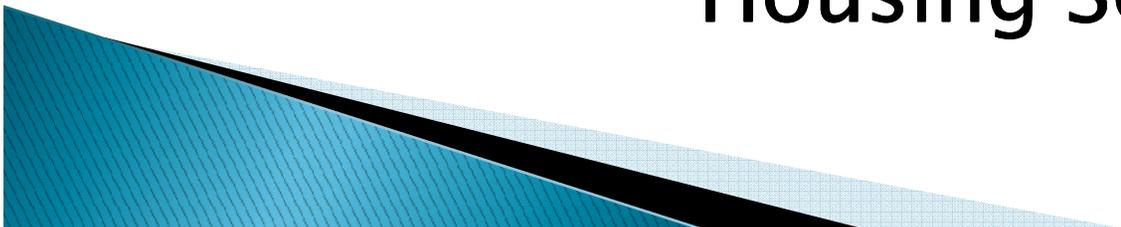
- ▶ Provision of City-owned land for development by local non-profit or for-profit partners
- ▶ Development Agreements
- ▶ Incentive Policy for Affordable Housing – Dedication of land and/or units (voluntary)
- ▶ Construction and sale of units in partnership with the private sector
- ▶ Purchase of land / units (not currently utilized)



Number of Permanently Affordable Units

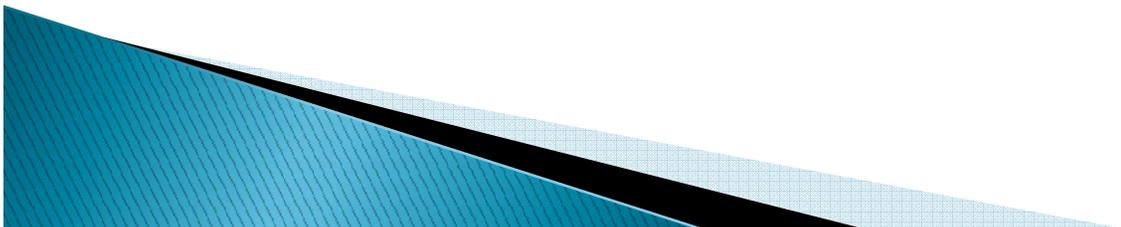
- ▶ Deed Restriction
 - 29 Rio Homes
- ▶ Rental – 90 Units
 - 61 Ridge at Clear Creek
 - 29 Elevation
- ▶ Land Trust Program – 14 Units
 - 4 with Habitat for Humanity of Northern Arizona
 - 10 Izabel Homes completed (6 still to be constructed)

**133 Total Permanently Affordable Units
currently being administered by the
Housing Section**



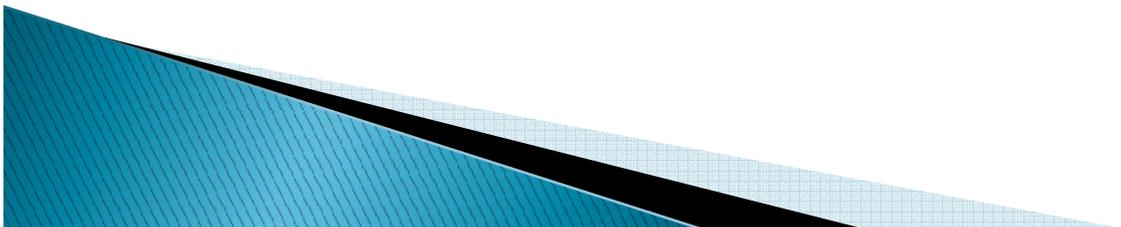
Public Private Partnerships

- ▶ Outsourced:
 - Design and Architecture (Shapes and Forms)
 - Project Management (Shapes and Forms)
 - Construction (Loven Contracting)
 - Homebuyer Selection (BOTHANDS)
 - Homebuyer Counseling (BOTHANDS)
 - Home Sales (Flagstaff Neighborhood Realty)
 - Long-term Administration (BOTHANDS & Habitat)
- ▶ Gift Clause in the Arizona Constitution prohibits
 - The donation of the land
 - The use of the land as collateral to secure a development loan



Future

- ▶ Elden Townhomes
- ▶ Phase IV of Izabel Homes
- ▶ Other developer negotiations and use of incentive policy
- ▶ Sawmill Piece – Commercial viability

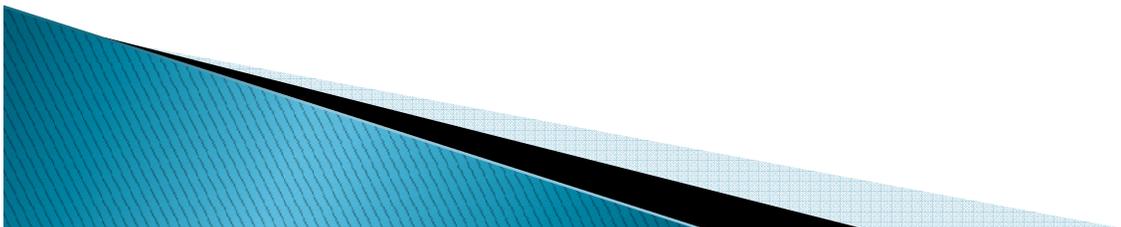


The Question

Land Trust –

What's the philosophical argument of why we should be in this business?

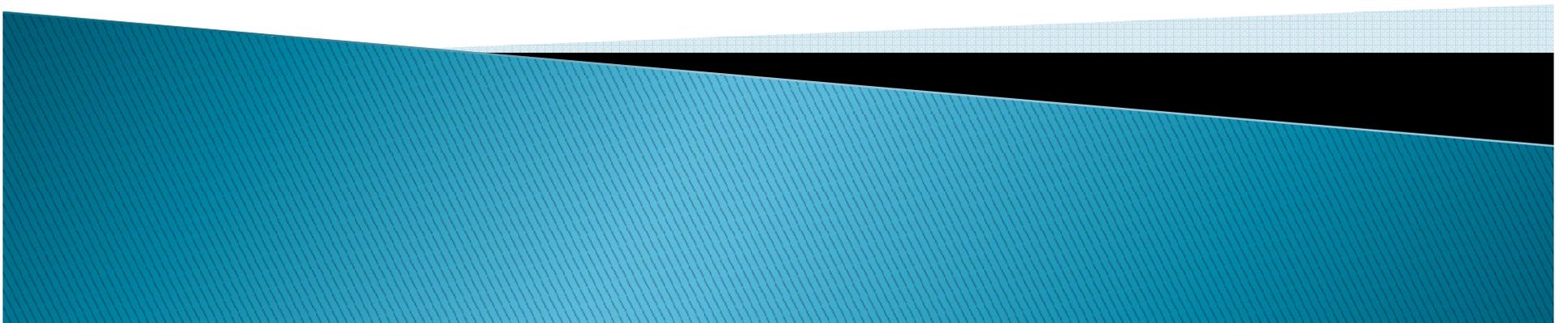
- ▶ Previous Council direction and broad-based community input:
 - Increase the supply of affordable housing in order to generate:
 - Community Benefit
 - Neighborhood Benefit
 - Household Benefit



Questions?

Sarah Darr

January 22, 2012



Compensation

Human Resources
Budget Presentation
January 2013

Compensation

How is compensation determined?

- Classification of a position
- Assign the position to the pay plan
- Maintain compensation of all positions through market analysis

Compensation

What is market analysis?

- Identifying benchmark organizations and positions
- Comparing City positions to other similar positions
- Comparing the City's pay plan to market

Compensation

Selection of Benchmark Organizations

- Organizations competing for same qualified employees
- Organizations with similar services and positions
- Cost of living comparisons
- Market data from private local companies not available per their company policy (Gore, Purina & FMC)

Compensation

Benchmark Organizations

- Avondale, AZ
- Bullhead City, AZ
- Casa Grande, AZ
- Chandler, AZ
- Glendale, AZ
- Goodyear, AZ
- Kingman, AZ
- Lake Havasu City, AZ
- Mesa, AZ
- Northern Arizona University
- Peoria, AZ
- Phoenix, AZ
- Prescott, AZ
- Prescott Valley, AZ
- Scottsdale, AZ
- Sedona, AZ
- Surprise, AZ
- Tempe, AZ
- Tucson, AZ
- Coconino County
- Boulder, CO
- Durango, CO
- Fort Collins, CO
- Henderson, NV
- South Lake Tahoe, CA
- Palm Springs, CA

Compensation

Selection of Benchmark Positions

- City has 210 positions
- Selected benchmark positions with Compensation Committee
 - Reasonably well known
 - Commonly found in other organizations
 - Difficulty recruiting or retaining employees
 - Internal equity concerns
 - Below market 25% or more in 2008
- Positions of benchmarks are used as reference points for non-surveyed positions

Compensation

Pay Plan Comparison

- Employees reviewed job descriptions for matches
- Five or more matches then position remained a benchmark
- Comparison of City's midpoint to average market midpoint
- Actual salaries not used due to variation in starting pay and years of service
- Outliers are 50% above average midpoint (6 positions)

Compensation

Pay Plan Results

- 2008 comparison was an average of 19% below market
- 2012 comparison is an average of 11.11% below market
- Highlights
 - Over 68 positions reclassified since July 2009
 - 25% or more below market reduced from 20 to 7
 - In house review of benchmarks position
 - Most benchmark organizations did not decrease pay

Compensation

Maintain City Compensation

- Market Movement
- Triggers
- Compaction

Compensation

Market Movement

- City pay plan remains 11% under market
- Lack of ongoing dollars due to recession
- Recommend a 2% lump sum for classified and exempt employees with one time dollars
 - \$647,856 general fund
 - \$262,001 all other funds
 - Part-time employees are pro-rated
- Implementation of Triggers

Compensation

Triggers

- Trigger 1: 0.6% increase to all employees
- Trigger 2: Address positions that are 30% or more below market
 - 5 positions (Recreation, Meter Read, Police)
 - Propose including 2 positions in 25-29.99% range (Admin Assistant BB, Library)
 - Propose implementation of Police Pay Structure
- Affects of trigger on market analysis

Compensation

Compaction

- Lack of movement within the pay plan has created compaction
- Recommend a 0.5% lump sum for all employees hired before July 2009 with one time dollars
 - \$131,130 classified & exempt general fund
 - \$72,422 classified & exempt all other funds
 - \$8,754 temporary general fund
 - \$748 temporary all other funds
 - Part-time employees are pro-rated
 - Includes employees who have received increases for reclass, rezone, promotion, skill blocks and triggers

Compensation

2-Year Trends

- Turnover has increased 10.6% this calendar year
- Exiting Employees
 - 30% left for a better job
 - 27% left due to pay
 - 10% left due to the work environment
 - 16% left because dislike work or no advancement
 - 39% left due to family circumstances and relocation
 - 17% left the job market

Compensation

2-Year Trends

- Decline of Job Offers
 - 50% due to pay and benefits
 - 22% due to accepting another position
 - 17% due to cost of relocation or commute

Compensation

Questions