



Saint Paul Minnesota
The most livable city in America

2019 Proposed Budget Presentation to the City Council

**September 26, 2018
Department of Safety & Inspections**

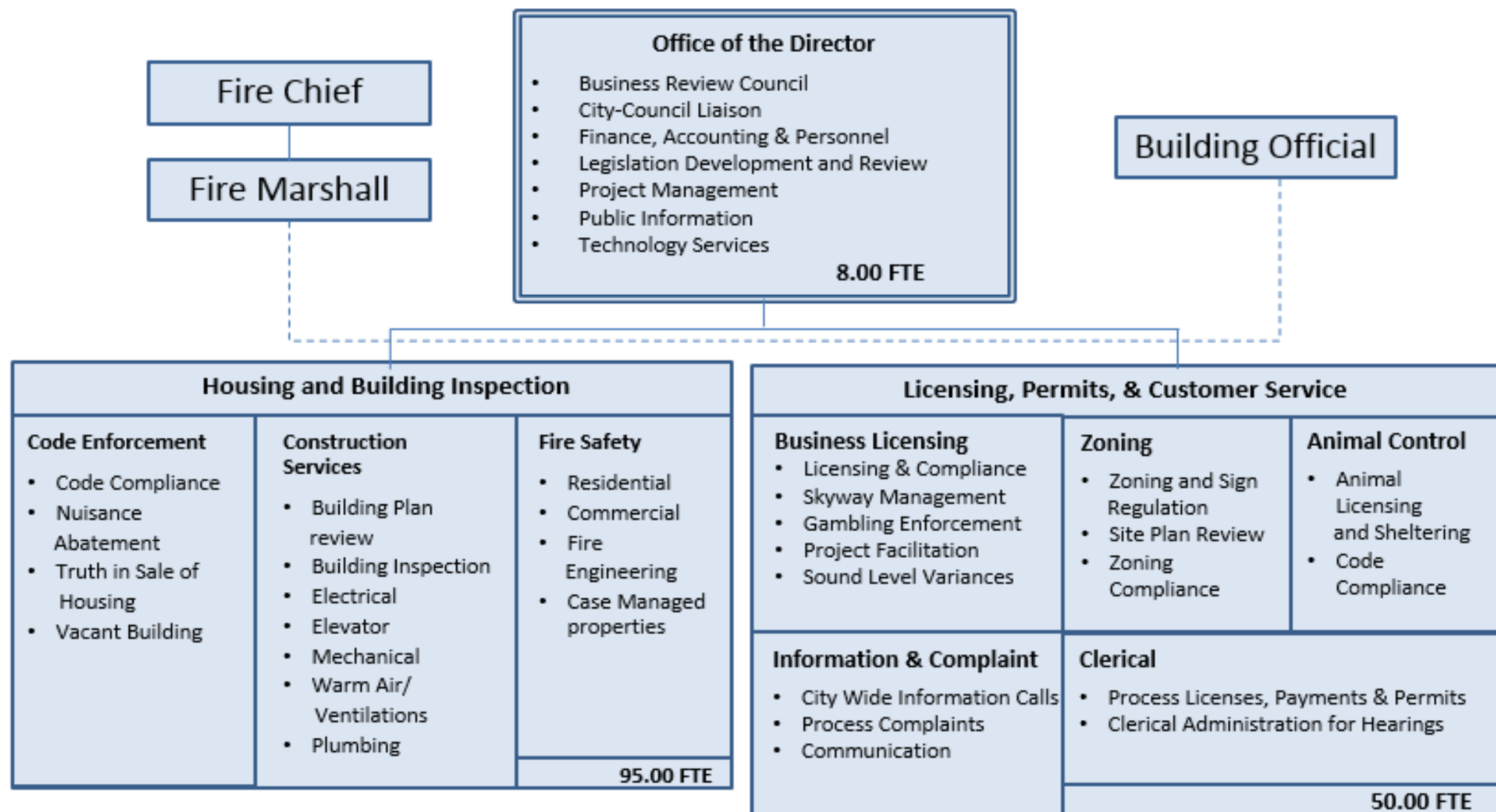


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Department Overview

Department of Safety and Inspections

To preserve and improve the quality of life in Saint Paul by protecting and promoting public health and safety for all.



(Total 153.00 FTE)

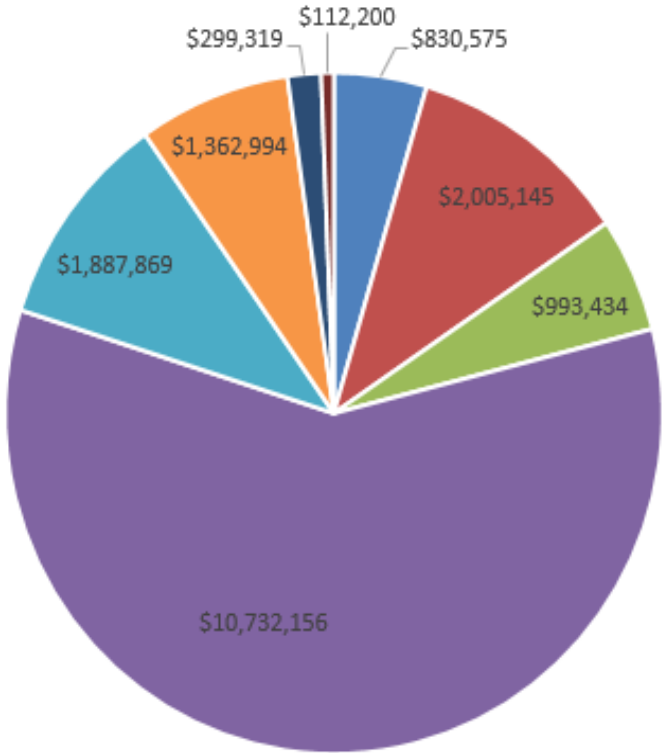
Financial Summary

Spending	2018 Adopted	2019 Proposed	% Change	FTEs
General Fund	19,371,311	20,589,164	6.3%	151.62
Special Funds	648,922	567,107	(12.6%)	1.38
Total:	20,020,233	21,156,271	5.7%	153.00

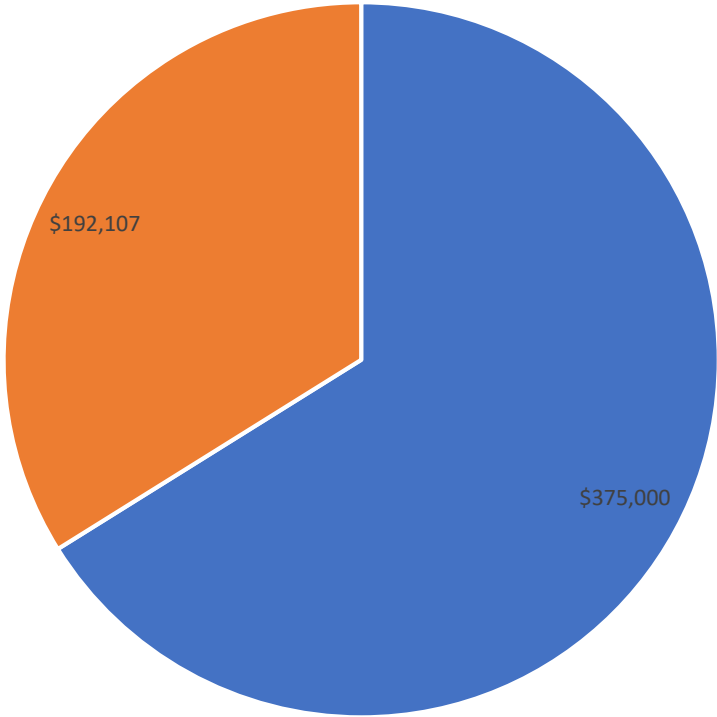
Financing	2018 Adopted	2019 Proposed	% Change	
General Fund	17,371,141	18,223,692	4.9%	
Special Funds	648,922	567,107	(12.6%)	
Total:	18,020,063	18,790,799	4.3%	

DSI Business Line Portfolio (Revenue)

General Fund Business Lines
as a % of the Portfolio



DSI Special Funds Business Lines as a % of
Portfolio



- Other Financing 5%
- Vacant Building Code Enforcement 5%
- Fire Certificate of Occupancy 10%
- Zoning 2%
- Summary Abatement Assessments 11%
- Construction Services & Permits 59%
- Business & Trade Licenses 7%
- Animal & Pest Control 1%

- Vacant Building Abatement 66%
- Gambling Enforcement 34%

Financial Summary

Significant General Fund Investments in Previous Cycles		
2018	Staffing increased by 1 FTE for a DSI Inspector II for increased enforcement of Charitable Gambling and Short Term Rentals, offset by respective revenue increases.	75,288
2018	Revenue reductions included adjustments due to volume decreases, assessment collection decreases, and an elimination of a department transfer no longer needed.	(529,356)



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Strategic Objectives

Strategic Objectives

Innovation	Resilience	Equity	Department Strategic Objectives	Mayor's Strategic Objective(s)
			- Prevent life and property loss. - Promote neighborhood safety and livability.	Community First-Public Safety
			Engage communities in effective communication, customer service and education.	Lifelong Learning
			- Promote sustainable and innovative solutions. - Ensure equity in the delivery of our programs/services. - Provide seamless services to help individuals operate businesses.	Economic Justice

DSI Strategic Objectives

Goals	Performance Measures	Targets for 2017/2018	Current Performance	Targets for 2018/19	Targets for 2020/2021
Construction Services	Inspection request turnaround time	Service all requests <3 days	3.96 days	Service all requests <3 days	Service all requests <3 days
Construction Services	Plan Review Turnaround	Review all plans <21 days	<21 days except \$2-\$10M and \$10M+ projects	Review all plans <21 days	Review all plans <21 days
Call Center	Call Response Time	> 80% of calls answered within 20 seconds	Est. 80% of calls answered within 20 seconds	> 80% of calls answered within 20 seconds	> 80% of calls answered within 20 seconds

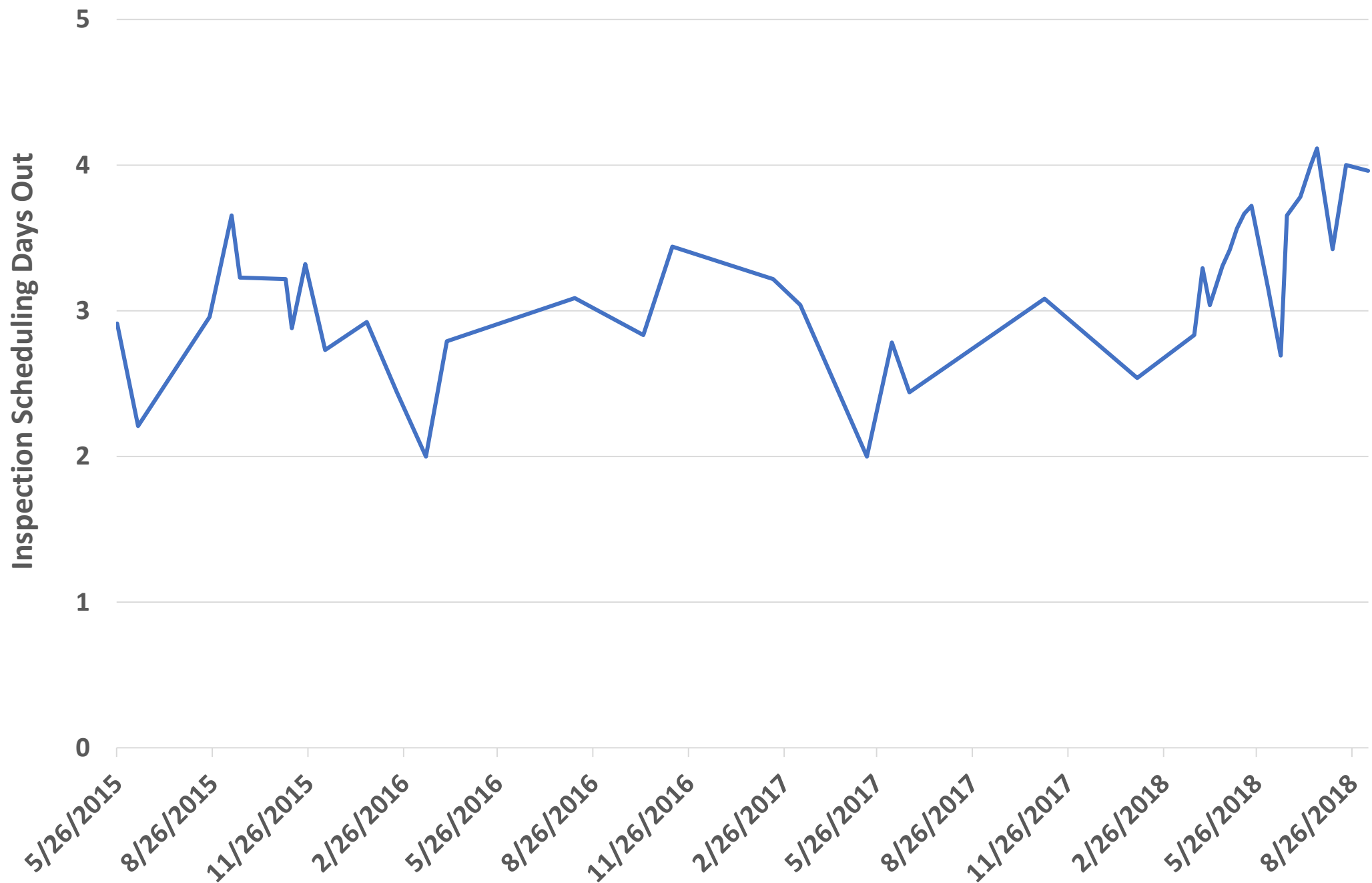
DSI Strategic Objectives

Goals	Performance Measures	Targets for 2017/2018	Current Performance	Targets for 2018/19	Targets for 2020/2021
Licensing	New License Turnaround		New data system in development (est. 45 days)	< 25 days to notification	< 20 days to notification
Front Counter Clerical	Days to Enter Permits Received	< 1 day to enter permits	1.7 day to enter permits	< 1 day to enter permits	< 1 day to enter permits
Fire	Residential Inspections Frequency	0% 12 months past renewal date	2% 12 months past renewal date	0% 6 months past renewal date	0% 3 months past renewal date

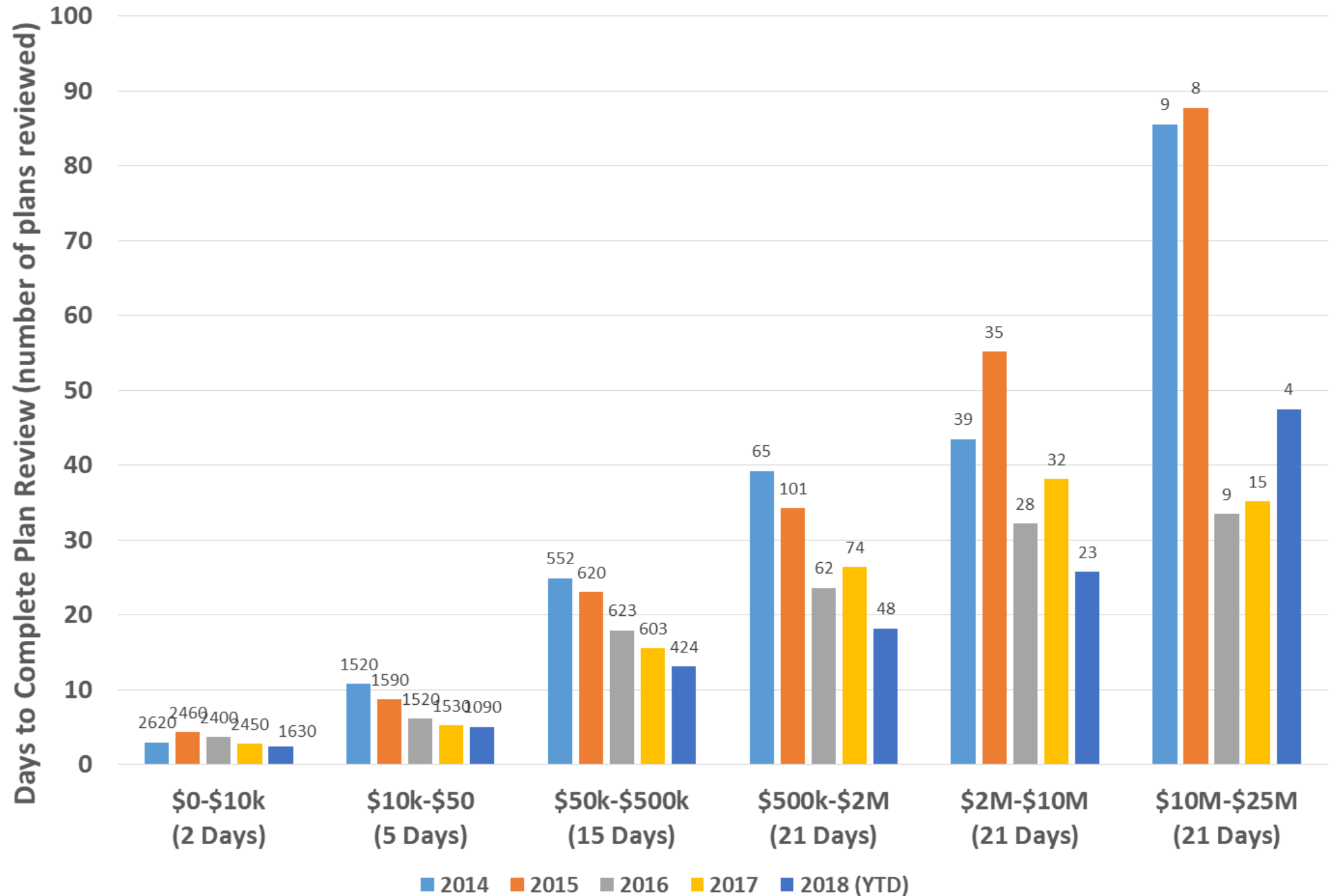
DSI Strategic Objectives

Goals	Performance Measures	Targets for 2017/2018	Current Performance	Targets for 2018/19	Targets for 2020/2021
Zoning	Variance Request Turnaround	< 30 days to BZA hearing	27 days to BZA hearing	< 30 days to BZA hearing	< 25 days to BZA hearing
Code Enforcement	Garbage Tall Grass Snow Walks	Resolve<24 hrs. of compliance goal	3.8 (7) 3.8 (4) 3.4 (3)	Resolve<24 hrs. of compliance goal	Resolve<24 hrs. of compliance goal
SPAC	Sheltered Animals Live Release Rate	> 90% of sheltered animals placed	93% of sheltered animals placed	> 90% of sheltered animals placed	>95% of sheltered animals placed

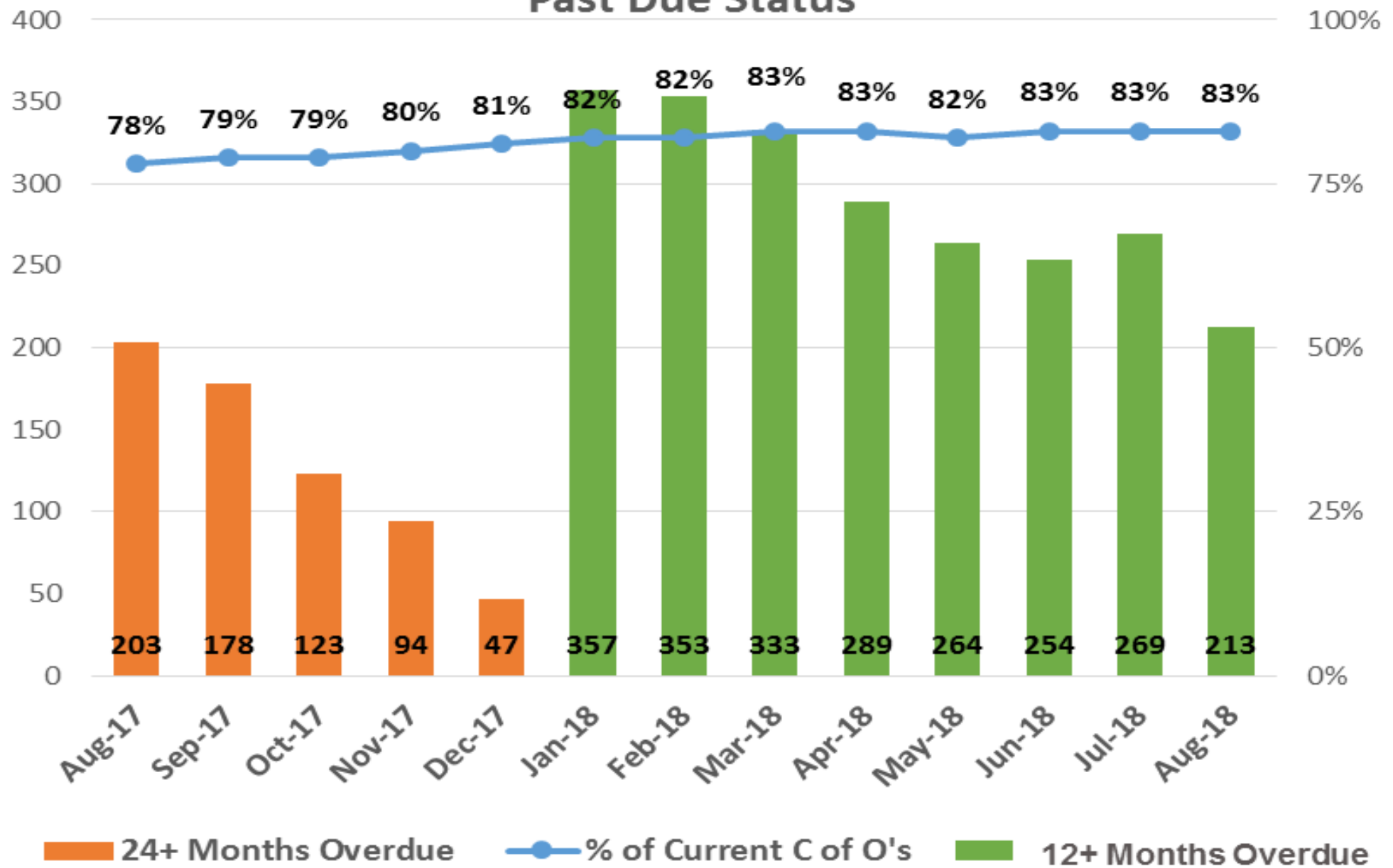
Average Construction Services 'Days Out' for Appointment (past 3 years)



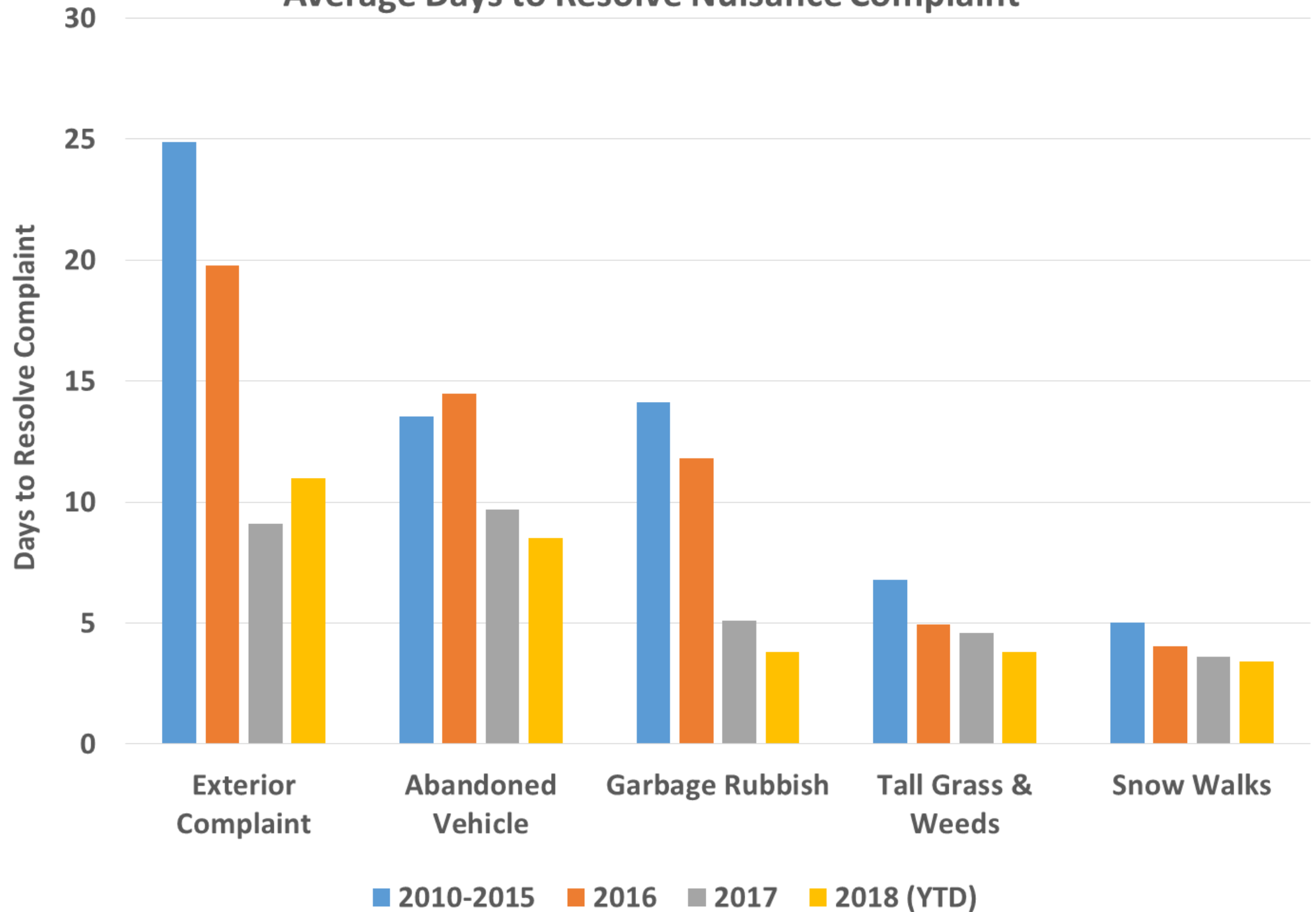
Plan Review Turnaround Times



Residential Fire Certificate of Occupancy Past Due Status



Average Days to Resolve Nuisance Complaint





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Budget Proposals

Spending Reductions

Description	
Reduce Grounds Maintenance Service expense budget in the Summary Abatement division from \$1,200,000 to \$850,000.	
General Fund Amount	FTE Reduction <i>(if applicable)</i>
(\$350,000)	
How would this reduction impact the department's ability to meet their strategic goals?	
This reduction aligns the budget with actual spending trends. It does not represent a change in service from the level of work that has been performed by DSI for the last several years.	

Spending Reductions

Capture Debt Service Savings

Description	
Capture savings from facility debt payment ending	
General Fund Amount	FTE Reduction <i>(if applicable)</i>
(\$67,465)	
How would this reduction impact the department's ability to meet their strategic goals?	
When DSI relocated to the 375 Jackson Street office, the City borrowed money for renovations to the new office space. DSI's annual budget has included debt service costs for that borrowing. The debt will be paid off in 2018. The 2019 proposed budget eliminates the debt service payment.	

Spending Increases

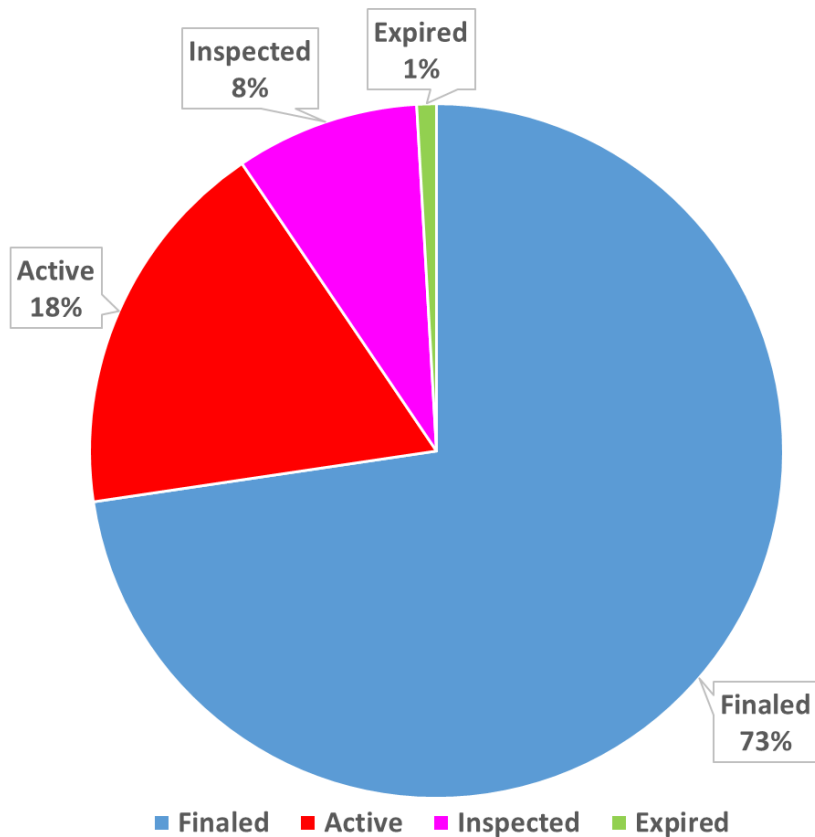
2.0 FTE Construction Services

Fiscal Impact				FTEs	Funding
General Fund		Special Fund		Additional (if applicable)	One-time (yes/no)
Spending	Revenue	Spending	Revenue		
\$294,871				2.0	No

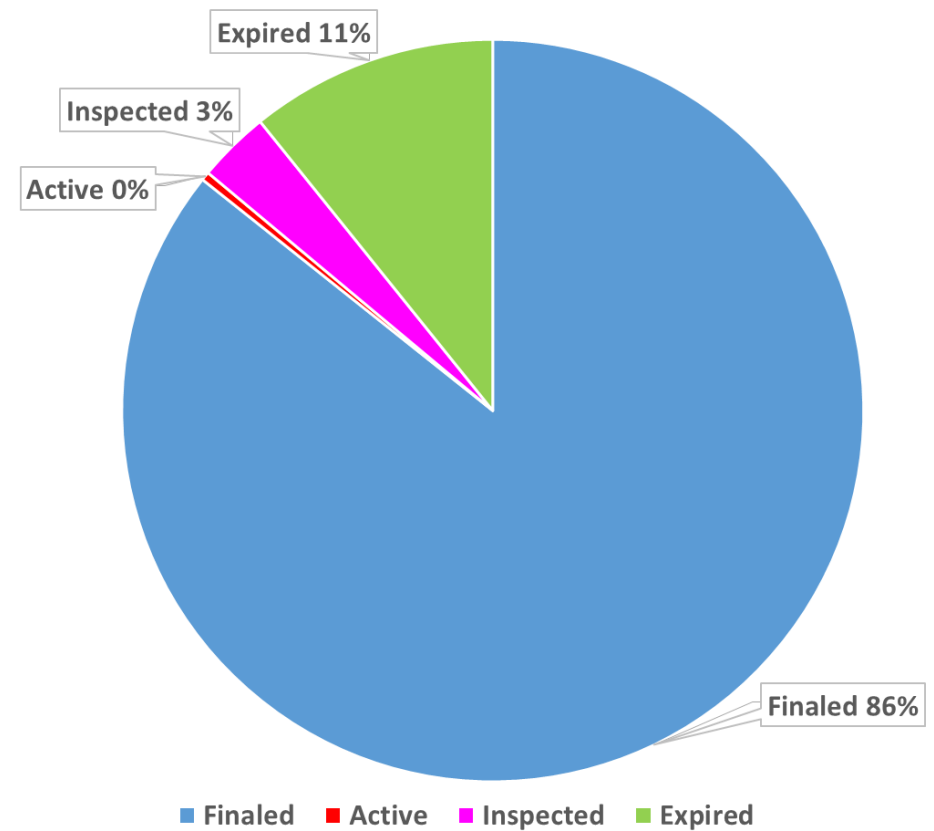
Description		
- Saint Paul has accumulated 58,396 uninspected or unapproved construction permits since 2008 - DSI pilot project began in 2016 in plumbing section - Began contractor and property owner education - Hired temp plumbing inspector - Pilot Project intervention successful - Need is greatest for Building Permits and Warm Air Permits		
Which of the Mayor's strategic objectives does this proposal support?		
Economic Justice	Lifelong Learning	Community-first Public Safety
		X
Department Strategic Objective	Prevent Life and Property Loss	

Plumbing Permit Pilot Results

2013-2015 Plumbing Permit Results

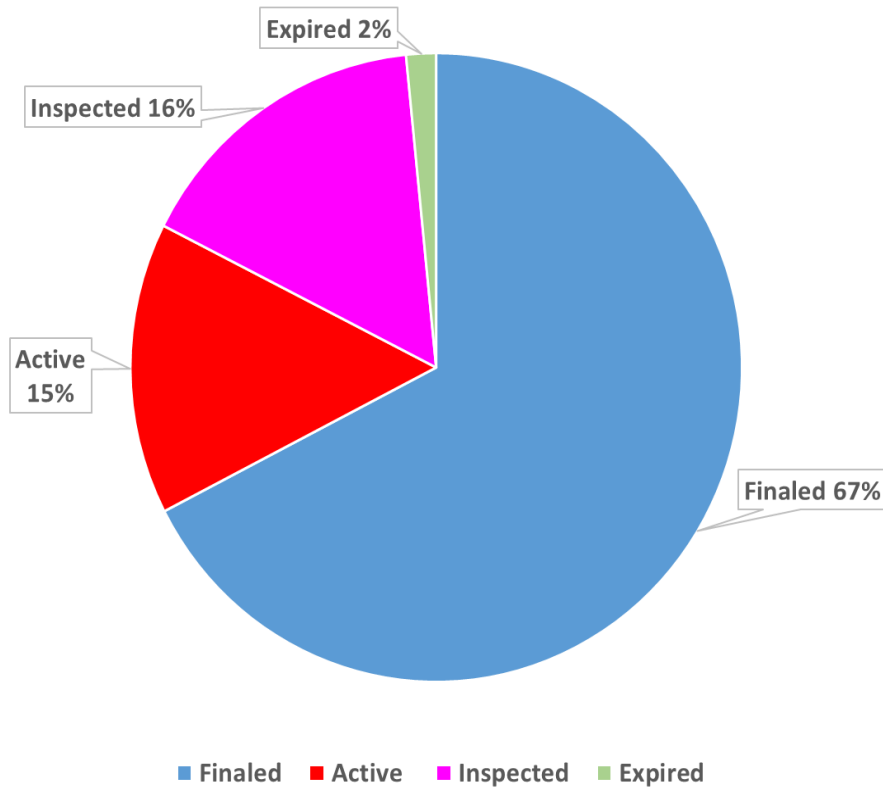


Plumbing Permit Pilot Results (2017)

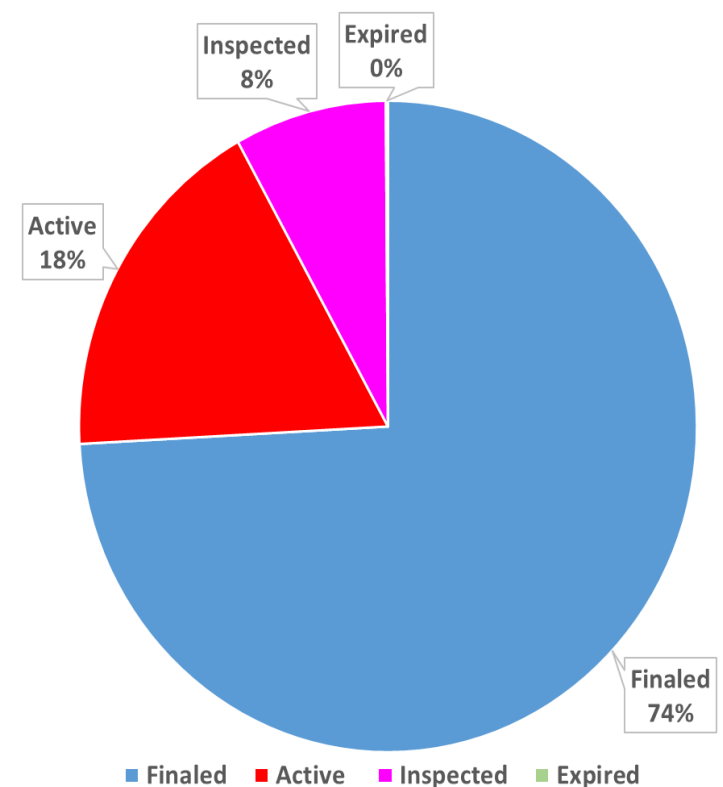


2.0 FTE Construction Services

Historical Building Permit Results (2010-2017)

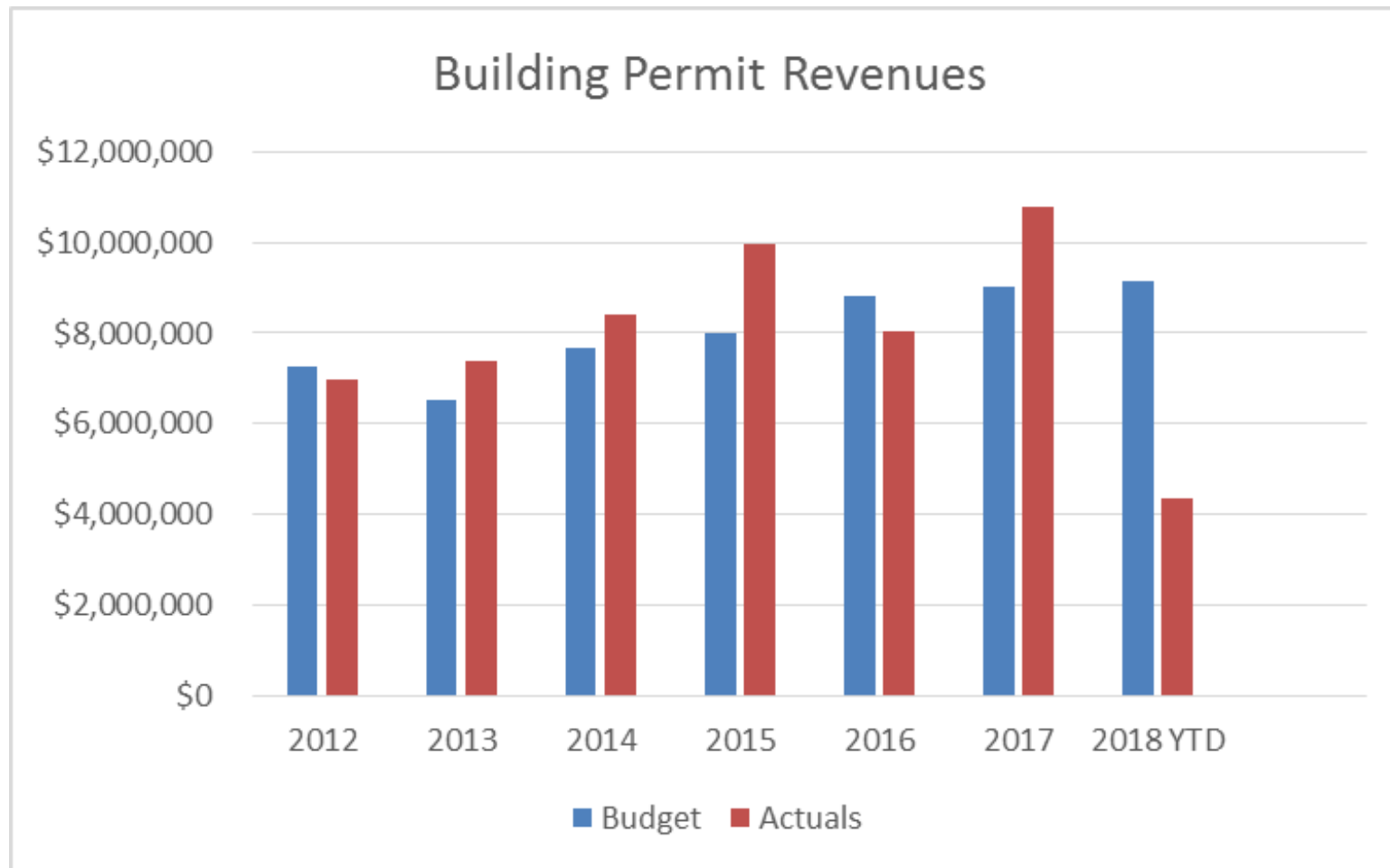


Historical Warm Air Permit Results (2010-2017)



2.0 FTE Construction Services

- Financing Strategy-Volume & Fee Increase



1.0 FTE Building Plan Review

Fiscal Impact				FTEs	Funding
General Fund		Special Fund		Additional (if applicable)	One-time (yes/no)
Spending	Revenue	Spending	Revenue	1.0	No
\$72,565	\$33,400				

Description

- DSI Building Plan Review staff review and administer Sewer Availability Charges (SAC) for construction projects
- Significant savings to business owners in Saint Paul
 - \$420,820 in 2015
 - \$402,570 in 2016
 - \$525,025 in 2017
- Regular workloads increasing and customer service declining

Which of the Mayor's strategic objectives does this proposal support?

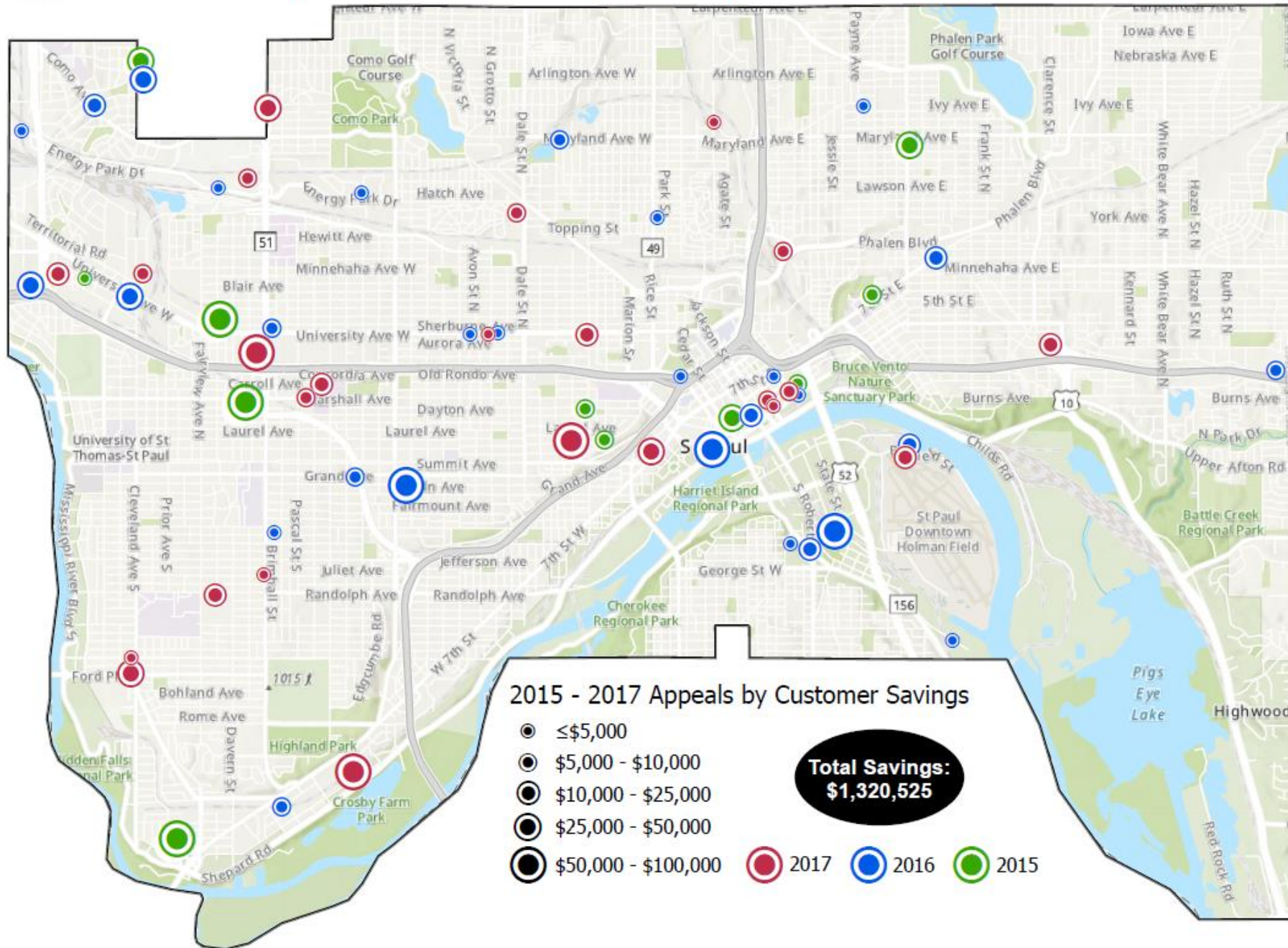
Economic Justice	Lifelong Learning	Community-first Public Safety
X		

Department Strategic Objective

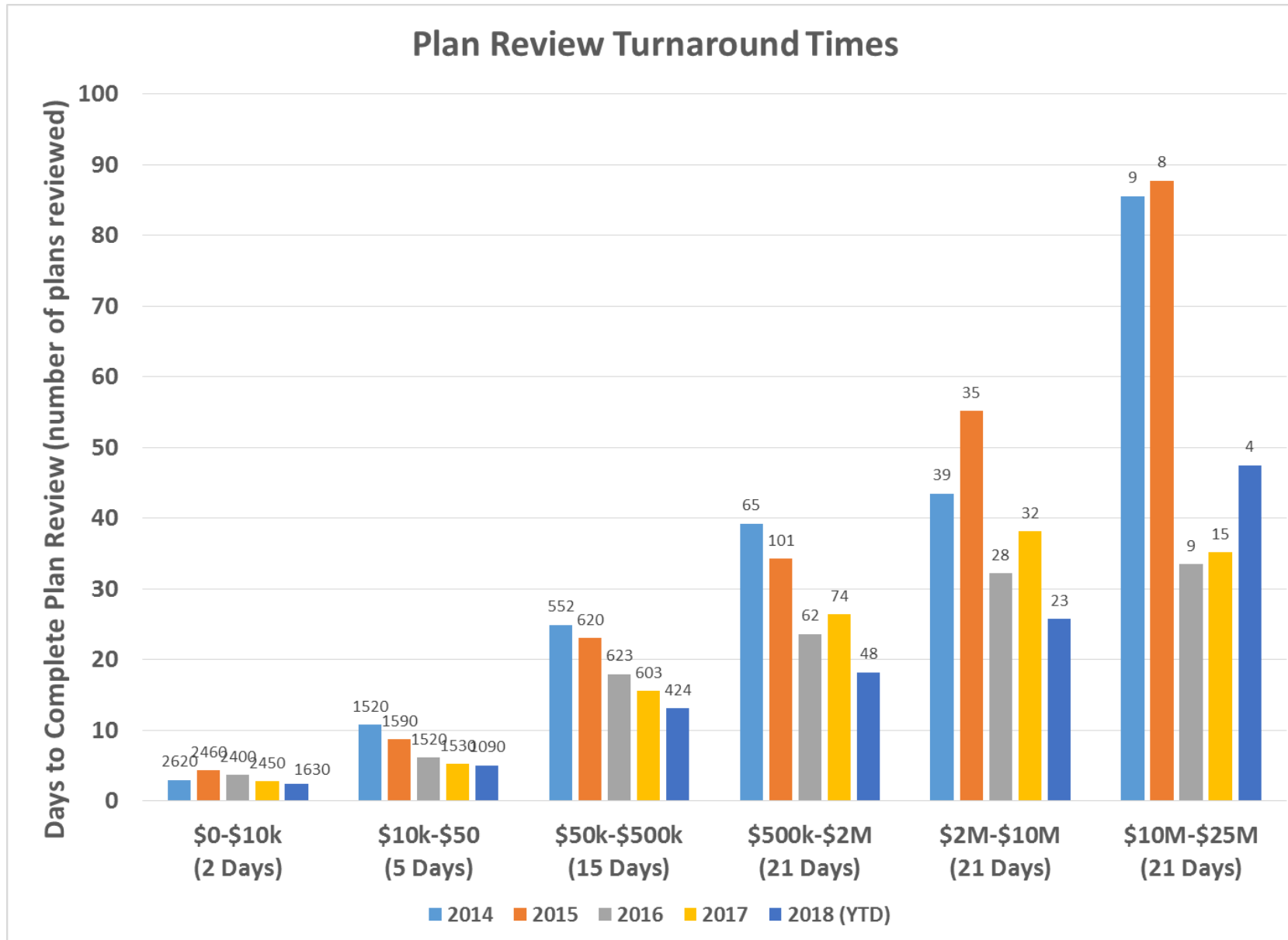
Ensure equity/Help operate businesses



Saint Paul Department of Safety and Inspections: 2015-2017 SAC Appeals



1.0 FTE Building Plan Review



1.0 FTE Building Plan Review

- Financing Strategy-Fee Increase

Municipality	Administrative SAC Fee
Rosemount	\$1,200
Lakeville	\$775
Hastings	\$708
Maple Grove	\$695
White Bear Twnp.	\$600
Burnsville	\$543
Farmington	\$540/unit
Shakopee	\$475/unit
Apple Valley	\$343

- Current Fee Structure**

- 1-10 charges = \$135
- 11-30 charges = \$270
- 31+ charges = \$400
- 2017 Revenue = \$48,675

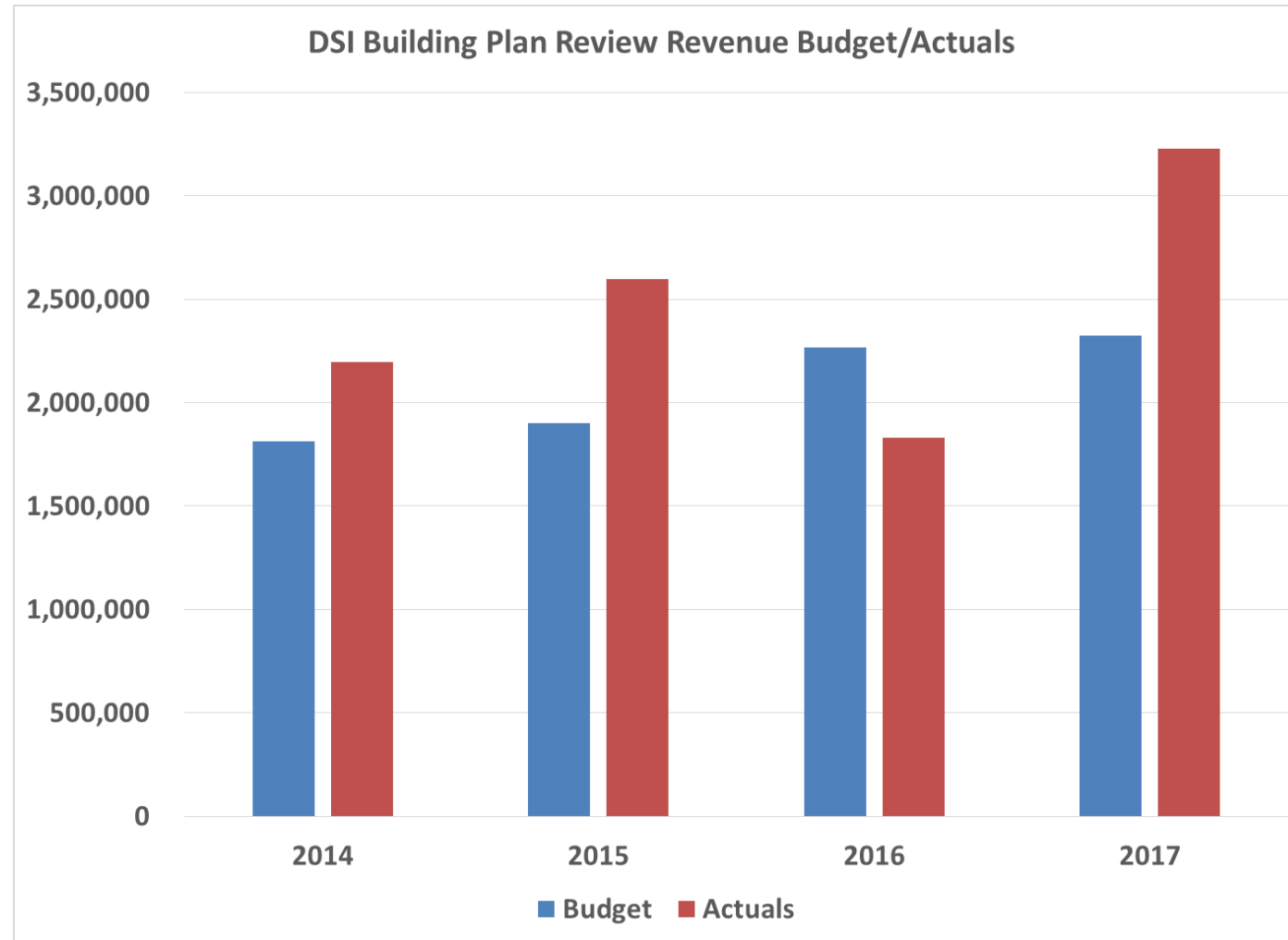
- Proposed Fee Structure**

- 1-10 charges = \$175 (30% increase)
- 11-30 charges = \$600 (120% increase)
- 31+ charges = \$1,500 (225% increase)
- Proposed (2017) = \$82,125 (\$33,400 new revenue)

- Proposal reviewed and received preliminary support from CAO**

1.0 FTE Building Plan Review

- Financing Strategy-Volume & Fee Increase

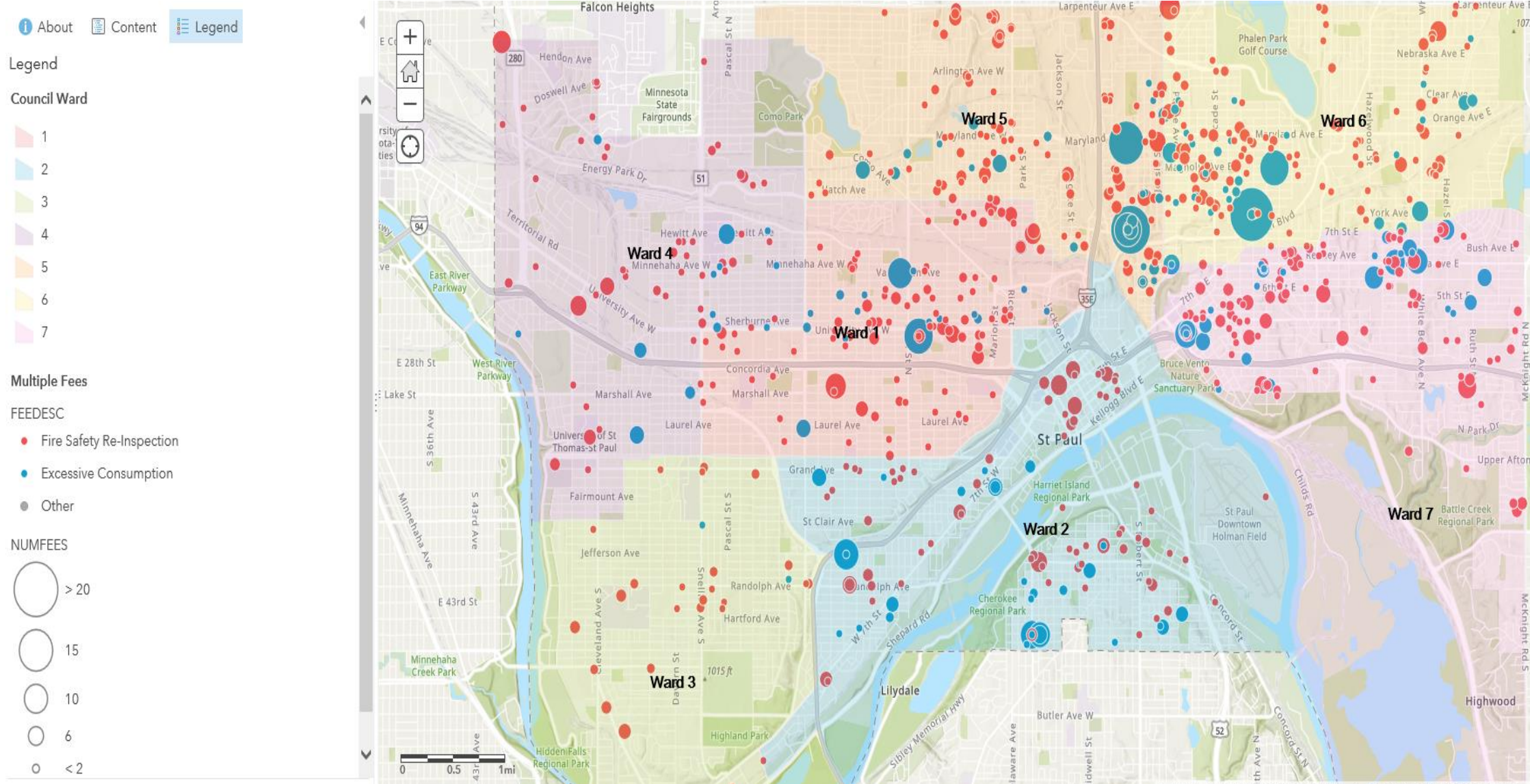


Spending Increases

1 FTE Administrative Citations

Fiscal Impact				FTEs	Funding
General Fund		Special Fund		Additional	One-time
Spending	Revenue	Spending	Revenue	- 1 FTE - Part-time Hearing Officer	No
\$103,361+\$15,000	\$250,000+				
Description					
☐ Construction permits, business licenses, fire certificates, zoning, and animal laws: - Ensure public safety, public health, and community livability; ☐ Administrative citations will reduce unintended consequences and compliance times. - Civil penalties will replace criminal citations and the need to displace tenants. - Financial consequences will incentivize people to resolve issues in a timely manner.					
Which of the Mayor’s strategic objectives does this proposal support?					
Economic Justice __X__		Lifelong Learning ____		Community-first Public Safety __X__	
Department Strategic Objective		Promote neighborhood safety and livability.			

2017 DSI Enforcement Fee Locations



1 FTE Administrative Citations

Potential Financing Strategy

- **Final financing details currently under development**
- **Current scenarios and the experience of other cities support a full cost recovery model**
- **Potential Revenue Sources – Estimated in excess of \$250,000**
 - Existing
 - Administrative Law Judge fees (Licensing)
 - New
 - Replacement of existing compliance tools for all DSI divisions and other departments.

Virtual “One Shop” and Space Planning Funds

Fiscal Impact				FTEs	Funding
General Fund		Special Fund		Additional	One-time
Spending	Revenue	Spending	Revenue	0	yes
\$250,000					
Description					
☐ Create a “One Shop” service center that offers individuals the opportunity to conveniently and easily access city services to achieve their business dreams. Leveraging existing projects and a new 10 year lease, this project will dramatically improve customer service and the customer and staff experience. ☐ Deliverables: ☐ Create a virtual “One Shop” for DSI customers. ☐ Create customer self-service areas with kiosks. ☐ Increase safety, efficiency, and collaboration; including: updated and gender neutral bathrooms, improved air quality, and professional office spaces.					
Which of the Mayor’s strategic objectives does this proposal support?					
Economic Justice ☒		Lifelong Learning ☒		Community-first Public Safety ☒	
Department Strategic Objective		Ensure equity in the delivery of our programs/services.			

Summary of General Fund 2019 Budget Changes

Spending Changes	Total Cost
Grounds maintenance-summary abatement	(\$350,000)
Facility debt payment ending	(\$67,465)
1 FTE Building Plan Review (SAC)	\$72,565
1 FTE Administrative Citation Coordinator	\$103,361
Contract Hearing Officer (administrative citations)	\$15,000
1 FTE Building Inspector	\$140,940
1 FTE HVAC Inspector	\$153,931
Total New Spending:	\$485,797
Net Spending Change:	\$68,332

Summary of 2019 Budget Changes

Revenue Volume Adjustment

Vacant Building Code Compliance	(50,000)
Vacant Building Registration	(30,000)
Assessments Revenue Reduction	(300,000)
Building Permits	200,000
Plan Review	100,000
	(80,000)

Revenue Policy/Rate Changes

Building Permits - 3% across the board increase	280,000
Business License targeted Increases	49,151
Plan Review - 3% across the board	70,000
Administrative Citations	250,000
SAC Revenue Increase	33,400
	682,551

Net Revenue Change	602,551
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Budget Alignment and Efficiencies

What efficiencies has the department accomplished recently that saved money?

- **Summary Abatement App** - Saves up to 24 hours in initial staff response time for customers. Provides improved communication, fewer questions, and more compliance. Saved approximately 80 hours staff time since product launch in January 2018.
- **Inspections Scheduling** - 31% of eligible electrical permits are now scheduled online. In addition to simplifying process for customers, estimated to have saved approximately 45 hours of staff time (Jun-Aug).
- **Portal (Pay My Bill)** - Customers able to pay any AMANDA bill online; improving customers service and saving staff time. E.g. More than 4,500 Fire Certificate of Occupancies are renewed annually. Achieving a goal of moving 75% of renewals online, results in an estimated savings of more than 50 hours of staff time.
- **Online Business Licensing** – Go Live scheduled for 2019. DSI annually processes more than 35,000 license and permit transactions. Moving these services online will dramatically improve the customer experience and staff efficiency. Savings include an estimated increase in staff productivity of greater than 1 FTE annually as well as OTC cost savings due to ability to eliminate support systems.
- **Electronic Plan Review** - Currently configuring software to allow for online submittal of construction and zoning plan reviews. Software will greatly streamline the construction review process for customers/staff and reduce overall review times. Project remains on schedule and is anticipated to launch in January of 2019.

Thank you!

Questions?