

Legislation Text

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City Council Meeting Date: January 19, 2021

To: Mayor and City Council
City Administrator

From: Mitzi Alex Baker, AICP Community Development Director

Proposal to modify staff positions in Community Development, Building Inspections Division.

Action Requested:

The Northfield City Council will receive a presentation on a proposal to modify staff positions in the Building Inspections Division of the Community Development Department.

Summary Report:

The Community Development Department, Building Inspections Division is a lean staff with one full time Building Official, one full time Building Inspector and the following two part time positions:

One Code Enforcement Inspector at 16 hours/week: the position primarily focuses on rental licensing inspections and code enforcement.

One Permit Technician at 20 hours/week: the position primarily supports customer service, permit processing, inspections scheduling, records management, and reviews and issues simple permits. This position is currently vacant.

This staff is responsible for building permits, inspections, enforcement and the rental licensing program. The City currently has over 690 rental properties and over 2,670 residential units in the rental-licensing program. Additionally, the Building Inspections Division has a steady plan review, permit and inspections workload related to building and construction permits. The attached summary report for 2020 shows a year-end total of 1,251 permits, with total building permit valuation of \$64,829,717 and fee revenue of \$530,045.

Providing consistent coverage, adequate backup and keeping pace with the work volume has been made more difficult with vacancies in each of the part time positions in the last year. Office responsibilities, including customer service, plan review and permit processing competes for time required of Inspectors to be at job sites inspecting projects. Having only two full time positions contributes to gaps.

Retirements in the Community Development Department in the past year have resulted in 37% change in staff. Attempting to fill positions in the Building Inspections Division has highlighted a very tight job market of qualified applicants. Adding to this, is the difficulty of competing against opportunities for full time employment, with benefits. From an operational standpoint, instability in positions contributes to inefficiencies and higher costs when hiring and training staff become part of an annual cycle.

On January 11, 2021, the Community Development Department welcomed Mike Morehouse as the new City Building Official. Mike is a Master Plumber and qualified to perform plumbing plan reviews that are currently performed by the State. An additional consideration for this proposal, is that staff will be pursuing the transfer of State plumbing plan reviews to be performed locally. This change will be accompanied by additional plan review responsibilities, as well as associated fee revenue.

Proposal:

Staff proposes to eliminate the two part time positions and replace those with a single full time hybrid position with duties and responsibilities that blend those currently included in the two part time positions.

To formalize the modification, and amend the budget accordingly, a Resolution will be scheduled for February 2, 2021. If approved, the budget will be adjusted to reflect the anticipated expense as well as the revenue offset.

Alternative Options:

If this change cannot be pursued, staff will seek to fill the vacant part-time Permit Technician position and continue to operate with two full time and two part time positions.

Financial Impacts:

The proposed changes would result in approximately \$12,000-\$20,000 of increased personnel costs. The range reflects potential differences in costs related to insurance that may be selected by an employee.

After reviewing 5 years of MN Department of Labor and Industry data to determine anticipated fee revenue, it appears the City could anticipate \$5,000-\$6,000 per year of new revenue by completing plumbing plan reviews locally. This revenue would off-set the increased personnel costs associated with the proposed changes within the Building Inspections Division.

The additional \$7,000 - \$14,000 of expense are available within annual operating contingencies of the general fund for the 2021. We'd offset the change either through building permit revenue adjustment, expense adjustment or a combination of those. Additionally, the permit fee schedule hasn't been reviewed for some time and we anticipate there would be adjustments in future years that would cover these costs.

Tentative Timelines:

A Resolution will be presented at a future meeting with a request for action once the final funding pieces are finalized for recommendation. We are anticipating that to occur on February 5th. It would be advantageous to get this completed by March to prepare for the spring construction season. If approved, Community Development and Human Resources staff will finalize details and pursue filling the full time position.