



## Office of the Mayor

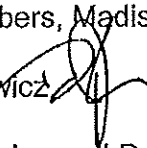
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### MEMORANDUM

DATE: October 5, 2006

TO: President and Members, Madison Common Council

FROM: Mayor Dave Cieslewicz 

RE: Department of Planning and Development Reorganization Report

When I appointed a Steering Group back in April to study the reorganization of the Department of Planning and Development (DPD), there were several questions I asked them to study. Is its mission too diverse? Is it organized in a way to take maximum advantage of the kinds of communication and synergies that should exist between these programs? How easy is it for its customers to understand and access the services it provides? How can we continue to serve a growing population with the same resources? Should services be packaged in a different way? In short, is there a better way to serve our customers?

I asked them to reorganize the Department in a way that would make it more customer focused, more efficient so that we can serve a growing City without significant additional resources, lighter on its feet so that it is better able to meet changing demands, and streamlined so that our residents better understand where to go to get the services they need.

I am pleased to report that the Steering Group and the staff teams met this substantial challenge. Collectively, they produced excellent recommendations that will significantly enhance the way we develop and protect our City's healthy economy, improve the way we nurture and design our neighborhoods, streamline the way we approve and track development, and better coordinate the way we offer community and social services. And they did it in a way that is achievable and affordable.

I am also pleased that they built these recommendations from the staff up, and not from the Steering Committee down. The recommendations were initiated by four staff teams that debated the goals I laid out for the reorganization and reached consensus among sometimes differing and strongly held views. A staff survey was also conducted to solicit ideas from staff at all levels and in all units of the Department. I want to thank

them for the time and effort they put into the reorganization on top of their already substantial duties.

I also want to thank the Steering Group, made up of seasoned managers and senior staff, who refined the recommendations they received, added their own ideas, and put together a cohesive package of common sense changes.

What follows are my responses to the Steering Group's report, organized by the five goals I set out for the reorganization. It provides a roadmap to the short- and long-term activities that, when combined, will produce a more streamlined, more efficient, and more powerful City agency governing economic development, neighborhood planning, and community and social services.

## 1. ENHANCE THE CITY'S ROLE IN ECONOMIC DEVELOPMENT

I am restructuring the Department of Planning and Development (DPD) around the goal of enhancing the City's role in economic development to allow the City to play a more active role in business development and to foster the health of our local economy. Most significantly, instead of being scattered throughout the Department, all the City's financial resources and economic development tools will be consolidated under a strong Economic Development Director.

This new Director will have at his or her fingertips the TIF financing options and redevelopment powers of the Real Estate Section, the bonding authority and home loans of the Community Development Section, the outreach and other assistance of the Office of Business Resources, the federal funding and revolving loan programs of the CDBG Office, and the community services support provided by the Office of Community Services and the Senior Center.

This new person will be directed to analyze these sections to find better ways of targeting and coordinating the City's economic development resources. He/She may choose to combine or reorganize these sections or change the way they interact. The end game will be a better-coordinated set of economic development tools, with a united mission and philosophy working toward shared priorities.

This Economic Development Director, like the Planning Director, will report directly to me, while remaining part of the Department. They will both be on my Management Team.

While I am sensitive to concerns about the number and breadth of City programs within the Department, I decided to retain one department for two important reasons. First, I did not want to sever the advantages of communication ties and shared resources that come with retaining one department. Second, I believe that economic development and planning should be inextricably linked. I did not want to put them in separate departments because the planners and the "doers"

should work side by side through every step of the economic development process. I believe this structure provides the best of both worlds: it will continue to foster collaboration horizontally among this vast array of programs, while still creating two powerful directors of planning and economic development with the appropriate resources underneath them.

To reflect this new emphasis on economic development, however, I am changing the name of the Department to the "Department of Economic and Community Development," and the name of the Community and Economic Development Unit to the "Economic Development Unit."

In addition to hiring the Economic Development Director, I am adding the following new resources to the Department in my 2007 budget:

- \$50,000 to the Office of Business Resources (OBR) to create an economic development plan for the 21<sup>st</sup> century
- An \$18,000 investment in the Collaboration Council's Regional Economic Development Entity (REDE), a public-private partnership dedicated to creating jobs and building our regional economy
- Increase the part-time Economic Development Technician in OBR to a full-time position in response to the concern that the department needs additional technical resources, such as mapping and GIS
- Move the Street Vendor Inspector and related part-time support staff from the Inspection Unit to OBR, and change the title of the position to reflect its change in focus from enforcement to business development

In addition, I support the Economic Development Staff Team and Steering Group's recommendations on:

- Creating cross-functional teams to manage major community and economic development projects
- Providing cross-training opportunities for staff
- Locating Economic Development Unit staff close together to the extent possible

## 2. **IMPROVE COORDINATION AND DELIVERY OF THE CITY'S NEIGHBORHOOD SERVICES AND PROGRAMS**

The Neighborhood Staff Team outlined an impressive plan to retool how the City provides services to neighborhoods in ways that help them better understand and access City resources. I was impressed by the extensive list of ideas they developed to meet this goal.

I especially support their recommendations to:

- Clarify both physical and virtual points of entry to City neighborhood resources by redesigning the neighborhood website and clarifying staff responsibilities
- Create and implement a Neighborhood Framework that organizes the Department's neighborhood activities in a clear and comprehensive manner
- Expand the tracking system for neighborhood plan recommendations and tie it more closely to budget priorities
- Publish an annual State of the Neighborhoods report to identify trends and issues
- Revitalize the Neighborhood Resource Teams and Neighborhood Guidance Team to become more active in intervention and prevention activities

Given that Department resources are already stretched thin, these very productive ideas won't come to fruition without additional staff resources. I am, therefore, adding a neighborhood planner to my 2007 budget to assure these challenges are met. As recommended by the Steering Group, this planner (in conjunction with other Planning Unit staff) will:

- Create and implement the Neighborhood Framework of available assistance to neighborhoods
- Explore models for a single "port of entry" for neighborhood questions.
- Synchronize grants programs
- Explore and develop a policy for the Department's role in grassroots neighborhood organizing
- Developing a chart of functions by unit to clarify roles and identify necessary linkages
- Develop and track neighborhood benchmarks (early warning system).
- Prepare an annual "State of the Neighborhoods" report
- Coordinate implementation of the on-line reporting system that will allow citizens to inform staff of emerging issues & trends in their neighborhoods
- Expand the system for tracking neighborhood plan recommendations
- Coordinate the Department's neighborhood staff team
- Create and maintain "virtual neighborhood teams" or blog groups

I am also changing the name of the Physical and Special Projects Planning Section to the "Neighborhood Planning, Preservation, and Design Section" to reflect its emphasis on neighborhoods.

### 3. **STREAMLINE THE DECISION-MAKING PROCESS FOR BUILDING PERMITS AND DEVELOPMENT APPROVALS**

I fully support the Development Review and Permitting Staff Team's recommendation to create both a virtual and a physical "One-Stop Shop" to develop a more seamless approach for building permits and development

approvals. The Team met its goals of improving the predictability of existing processes, making them more customer-focused and user-friendly, and strengthening the coordination between all City agencies.

On the virtual side, I have authorized funding from a combination of recently completed land sales and general tax revenues to purchase enterprise permitting software yet this year. This will significantly streamline the flow of information between the public and City government, and within City government itself.

I also strongly support the recommendation to create a physical "One-Stop Shop" where developers and members of the public can meet with City staff from various agencies simultaneously to obtain approvals for their projects. It will enable better communication among staff and help ensure that members of the public receive reliable, consistent information from City government.

Initial discussions called for creating the physical One-Stop Shop on the first floor of the Madison Municipal Building once several first-floor City agencies move across the street. The Team strongly believes, however, that the available options are too small to accommodate all of the functions that need to be part of a successful One-Stop Shop. City staff has told me that an adequate permanent space won't become available until 2009

I believe we can't wait that long to make these needed improvements to our permitting system, especially since it will likely take in excess of a year to implement and fully train staff on the new enterprise software. So, in the interest of not letting the "perfect" be the enemy of the "good," I have directed staff to create a temporary One-Stop Shop that will open in 2007. While the temporary location will not have all the conference room and zoning counter space that the permanent location should have, the important goal of getting City staff from various agencies to meet with developers and the public simultaneously to resolve problems will be achieved next year.

I wholeheartedly support the plan to rewrite the City's aging zoning code. This is a continuation of the process that started with the adoption of the City's new comprehensive plan. A modern zoning code will eliminate obsolete zoning provisions and create new ones that better reflect Madison's growing economy. And it will streamline development by reducing the need for zoning variances. The process of rewriting the City's entire zoning code is a complicated one that will take several years. I have committed to providing \$150,000 in each of the next two years for a two-year consultant contract for the rewrite to be funded by a \$0.02 per square foot zoning development surcharge that will sunset upon completion of the contract.

As an interim step, I like the Team's idea of creating a set of zoning code regulations that fall between permitted and conditional uses. This interim set of uses could require notification of alders, neighborhood associations, and

adjoining property owners. Then, if no objections are made after notification, these projects could be approved administratively with some additional design review. This would go a long way toward streamlining zoning code approvals until the entire code can be rewritten.

I also support the Team's recommendation to:

- Create simplified development materials to assist customers
- Further automate parking lot/site plan interagency review and signoff
- Assign project managers to the largest, most complex projects and establish a series of expectations so these managers know what their role is and what it is not
- Hold meetings with the Department's most frequent customers to discuss changes in ordinances and processes, and seek their input on improvements that could be made

#### 4. COORDINATE COMMUNITY AND SOCIAL SERVICES

I support the Staff Team's idea of creating a pilot project to determine whether targeting City services such as public housing and childcare toward the same families to meet their multiple needs is effective in moving them more quickly toward self-sufficiency.

I also support the Steering Group's recommendation to explore a larger partnership with other City-supported programs from OCS, CDBG, and Community Development, and outside entities such as Dane County, United Way, and the Health Council.

I believe the pilot project would be far more successful if, in addition to their housing and childcare needs, we also sought to provide these families with health care, first-time homebuyer loans, and the vast array of other social services that OCS and CDBG dollars support. I am, therefore, directing the Office of Community Services to design such a pilot project by mid-2007 and include any necessary implementation costs in its 2008 budget request.

I am intrigued by the Steering Group's recommendation to consolidate the four commissions that currently approve City funding of social services programs: the OCS Commission, the CDBG Commission, the Early Childhood Care and Education Board, and the Senior Citizens Advisory Committee. Although it is essentially a Dane County responsibility, City funding for social services programs has been increasing significantly. Over the last five budgets, City support of OCS and CDBG has increased \$977,000 or more than 20%. And as federal CDBG funding has decreased in recent years, City dollars have increased to take its place. For example, in my 2007 budget, I am adding \$98,000 of levy funding primarily to replace a like decrease in federal CDBG

funds. That is in addition to the \$112,000 of property tax support to provide inflationary increases to the programs we traditionally fund from OCS monies.

As the City's contribution to social services rises, it makes sense to better target, coordinate and prioritize these funds. It would also be beneficial to keep a portion of our social services funding flexible to respond to changing needs in changing neighborhoods.

Consolidating these commissions would be a significant change in the longstanding way we fund social services, however. So I would like to know more about the consequences – both good and bad – of making such a change before I fully endorse it. And I would like more input from staff and stakeholders before making the change. As a result, I will form the study group recommended in the Steering Group's report, but will direct them to study the pros and cons of such a merger in addition to determining how best to implement it. I would also like the group to research CDBG and social service funding and delivery models in other cities of similar size. The study team should also discuss how a merger might help or hinder a resolution to the longstanding conflict between OCS and the CDBG office on neighborhood center funding.

I support the Staff Team's and Steering Group's recommendation to create a "community assessment process" or "early warning indicators" to help identify and prioritize developing problems in communities, allowing the City to develop plans to address them early. The implementation of this idea is discussed more fully in the context of the Neighborhood Staff Team's recommendations.

I also support the Staff Team's recommendations to:

- Improve loan-processing time within CED and CDBG units by streamlining internal processes
- Map and assess activities for seniors throughout the City

## 5. IMPROVE COMMUNICATION AND STRUCTURE

Although most of my changes to the structure of the Department are included in the discussion of the Economic Development Staff Team report, there are other initiatives involving structure and communication that are not tied to economic development.

I strongly support the Steering Group's recommendation to centralize facilities management activities. Currently, each agency manages its own facilities. This decentralization leads to inefficiencies and inconsistencies in the way we manage and maintain City property. The City should consolidate under one manager the architectural planning, design, bidding, construction, maintenance, and replacement planning of all City buildings. The promotion of "green" building practices and implementation of energy efficiency audits in City buildings should

be added to this new unit. I envision this as more of an engineering responsibility than a planning function. As a result, I believe it makes sense to locate this unit in the City Engineering Division. I have included a Facilities and Sustainability Manager in the 2007 executive budget in the Engineering Division and will transfer the appropriate staff.

I have heard from many Department staff and stakeholders that communication – both internally and externally – needs improvement. I believe many of these issues will be solved under the new structure once the vacant and new positions are filled. With a department of this breadth and depth, however, much more needs to be done to ensure that communication flows horizontally across “silos,” vertically from top decision-makers down to front-line staff, and externally to our customers and stakeholders. That is why I am directing the Director of the Department to develop a communication plan that addresses each of these three issues. The plan should be developed with the input of staff, customers, and stakeholders.

Lastly, to ensure that all these recommendations are implemented thoroughly and expeditiously, I am asking that the Steering Group continue to meet on a regular basis to monitor their progress. I have included the new positions and funding amounts in my 2007 executive budget. But resolutions and ordinance changes implementing the structural changes and policy initiatives still need to be developed, reviewed, and adopted. Many of the significant policy recommendations, such as the consolidation of commissions and the construction of the pilot project, will be studied and developed after getting alder, staff, and stakeholder input next year. I am asking the Steering Group to guide this process and ensure that interested parties have an opportunity for input before these changes are finalized.

DJC/III

cc: Department of Planning & Development (DPD) Steering Group  
DPD Staff Teams  
DPD Staff  
DPD Stakeholders