



# CITY OF HARRISONBURG, VIRGINIA BUILDING INSPECTION STUDY

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*Conducted By DecideSmart, LLC  
April-May 2015*

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## **1. Executive Summary**

The City of Harrisonburg was established in 1779 when Thomas Harrison deeded two and a half acres of land to the public good to establish a city government. Trustees governed the city until 1849 when a mayor-council form of government was formed. Ultimately, a council-manager form was established. The Virginia General Assembly established the State Normal and Industrial School for Women in 1908, becoming Madison College in 1938. In 1977 the college became James Madison University. Other institutions were established, such as the Eastern Mennonite University, and Rockingham Memorial Hospital.

Harrisonburg had a population of over 52,000 in 2013 as estimated by the Census Bureau. The population has grown by about 2% since 2010. James Madison University is experiencing growth, which accounts in part for this growth rate. Harrisonburg has a low real estate rate compared to many cities in Virginia. There is a healthy retail economy, which helps the city to retain a low real estate rate.

### **Building Permit Study**

DecideSmart LLC was hired to review the building permit process with an objective to assist the city in improving the building permit process to help the City resolve complaints from the building and development community regarding timeliness and customer service issues.

### **Document Review**

A number of documents were reviewed in preparation for this study and for the site visit and interviews.

1. Positive and negative communications to the City and Building Inspections Division
2. Permit processing workbook
3. Job descriptions of plans reviewers
4. Current and proposed budgets for the Building Inspections Division
5. Policy manual for the Building Inspections Division
6. Title 11, Virginia Building Code Regulations
7. Average inspections per inspector per day
8. Organizational chart for the Department of Planning and Community Development
9. Community Development building permit business process diagram

### **Interviews**

In studies of this type, DecideSmart routinely interviews stakeholders in order to understand the full scope of issues that may be relevant. Thirty-five stakeholders were interviewed in the course of the study. Stakeholders included 10 members of the development community, both those representing their professional organizations and those representing individual developers, builders, and owners. Additionally, all staff members involved in the building permit process were interviewed, in addition to two

City Council members. Separately, DecideSmart conducted a focus-group meeting with 11 staff members to get a sense of the overall flow of work and their perspective as a group about the overall process. We commend all those interviewed for their honesty and thoroughness and for their desire to make the process better.

## **Outcomes**

The interview process revealed several trends and themes as DecideSmart personnel talked with stakeholders and customers of the development process:

- The development community and City staff have increasingly become more concerned about the building permit process.
- Most development-related individuals interviewed had some positive things to say about the City and appear to want to be a part of a plan to improve the processes related to building permit applications and inspections. However, some in the development community believe that some city staff have hidden agendas related to their perceived lack of customer service in the building permit and development review process.
- There is very little communication between city staff and the development community related to how city processes work.
- There is a lack of communication between and among city staff related to the building permit process.
- The development community and staff both have a desire to “fix the problem” and all work toward improvement solutions.
- All individuals with whom DecideSmart came into contact understand the importance of the building permit process and also understand the importance of a review and inspection process free of interference and illegal influence in any way.

## **Improvement Solutions**

The following sections outline commendations, observations, and recommendations. DecideSmart believes that many concerns identified in this study can be addressed through adoption and implementation of these recommendations.

## 2. Building Inspections and Development Review

This section of the report is a high level review of commendations, observations, and recommendations. The subsequent sections will identify components of this higher-level review for further, more detailed recommendations.

The Virginia Uniform Statewide Building Code (USBC) includes building regulations that must be complied with in construction of a new building, structure, or an addition to an existing structure. The USBC must also be used when maintaining or repairing an existing building. It also must be used when changing the use of or renovating a building.

The Virginia Uniform Statewide Building Code (USBC) requires that each county or city in Virginia must appoint a Board of Building Code Appeals (BBCA). It reads, “The BBCA shall consist of nine (9) members, which shall include at least one (1) architect, one (1) professional engineer, one (1) property manager, one (1) experienced builder, one (1) person experienced in fire prevention, one (1) master plumber, one (1) master HVAC mechanic and one (1) master electrician. Members of the BBCA shall be appointed by the city council for staggered terms of three (3) years, three (3) members to be appointed each year; each member to serve until his replacement is qualified.” The City of Harrisonburg has a BBCA in place.

The City of Harrisonburg has a Building Inspection Division in place. In calendar 2014, the Building Inspection Division conducted 8301 inspections among 4 inspectors. The average daily inspections per inspector were 8.5 for the year with a high of 12.1 during the month of August. While James Madison University resides in the city and performs significant construction projects, it, along with other state agencies, is exempt from the local inspection process. These state agencies must use the Virginia Department of General Services, which is the equivalent to the local building inspection process.

### Commendations

- 2.1. During the interviews with staff and representatives of the building community, it is apparent that both want to improve the building inspection process to make it more streamlined and customer oriented.

### Observations

- 2.1. There is significant concern from the development community about the building inspection function. While the following perceptions may not be reality, representatives from the development-related organizations indicated that their members specifically perceive the following:
  - a. Delays in the permit issuance process
  - b. Inconsistency in inspections
  - c. Not applying good business practices

- 2.2. City Council and the City Manager, as well as staff, are also concerned about the complaints being made from the development community.
- 2.3. DecideSmart has observed that all parties to the development are very supportive of improvements to the process.
- 2.4. Developers indicated that no official receipt of an inspection was left at the inspection site except if an inspection failed. They indicated that they had to assume an inspection had been done and that it passed if a ticket was not left at the inspection site.
- 2.5. While the city experienced a high month of 12.1 inspections per inspector per day, with an average for the year of 8.5, all of these seem well within a workload that can be managed.

### **Recommendations**

DecideSmart believes that the following recommendations will address many of the concerns and issues:

- 2.1. The City Manager should establish a formal team consisting of representatives from each of the development-related departments with a charter that it will address those components of this study that are accepted for implementation.
- 2.2. Appoint an independent facilitator to the team (could be a staff person with facilitator skills who is independent of the building inspection process).
- 2.3. The team should establish a work plan that includes the following:
  - a. A detailed charter defining each objective to be accomplished
  - b. Team members
  - c. Schedule of meetings
  - d. Team leadership
  - e. Reporting mechanism to City Manager
- 2.4. The team should routinely issue progress reports to city management.
- 2.5. City leadership should implement a survey process that asks each user of the Building Inspection Division process to evaluate their experience with the division. This in particular will provide feedback to the city from those applicants who are dissatisfied with their experience, and it will provide feedback from those who are satisfied with the process. The city (as do most localities) does not hear in most cases from satisfied customers. It will also help as the city approaches performance measures and structures in a new automated system.
- 2.6. The Building Inspection Division should begin leaving an approved inspection ticket, as well as a failed inspection ticket as is now done.

- 2.7. A short definition of team dynamics that DecideSmart has used before is included in Appendix A.

### **3. Communications**

Meaningful communications between stakeholders is extremely important for any function to be successful and help with customer satisfaction. The City of Harrisonburg has an opportunity in this case to improve communications between all stakeholders in the process, especially the development community. Economic Development opportunities can be enhanced if the development community understands the city's operational policies and practices. They can come to the table with prospects when needed to support the city's efforts.

#### **Commendations**

- 3.1. While there is no formal communication between the city and the development community, city staff invites representatives from the development community to meet to review state and federal changes or required changes to local ordinances. The development community appears to appreciate that communication effort.
- 3.2. Staff appears to be willing to spend time with applicants when requested to meet to debate issues related to an application.

#### **Observations**

- 3.1. Builders and developers are not always aware of the changing code requirements and their designers are often "behind the curve" on changes.
- 3.2. Staff is not always aware of the deep concerns being expressed by the development community.
- 3.3. City management has expressed concern and expectation to the development related departments that complaints from the development community need to be addressed. At the same time, it is understood that addressing customer complaints does not mean compromising building code and city ordinance requirements.
- 3.4. City staff feels that the building/development community is not always fully completing paperwork, which results in self inflicted delays.
- 3.5. There are no routine communication mechanisms in place between the city and the development community, thereby causing many of these observations to exist.
- 3.6. There is a lack of overall process management leadership coordinating departments involved in the development processes. There is no direct chain of command or teaming effort that involves all of the departments responsible for development issues. For example, the Fire Department and the Utilities

Department fall outside of the chain of command of the Director of Planning & Community Development.

- 3.7. There does not appear to be a good internal communications mechanism between building inspectors. There is no quality assurance plan and no documented departmental procedures related to many of the things of concern to the development community. One example is that the Building Official has a verbal policy that inspectors are not to enforce violations identified in subsequent inspections unless it involves life and safety or serious issues. However, that policy is not documented.
- 3.8. There appears to be a practice within the development community that because certain inspectors may work on a specific day, they will not call for an inspection on that day.
- 3.9. While builders and developers appear to be upset, there is full sense that everyone is willing to work together to fix the system.

## **Recommendations**

- 3.1. City leadership should work with the development community to set up a regular series of meetings between the two entities to improve communications. These meetings should have the objective to clarify issues and processes used by the city, address issues of concern by both entities, and improve relationships. It is recommended that meetings be held quarterly and should include the following:
  - a. Agenda items submitted by both the city and the development community
  - b. Use these meetings as training opportunities where staff can present upcoming issues and technical training on various topics
  - c. Place an item on each agenda that asks for issues of commendation or concerns from both the city and the development community
  - d. While the City Manager should not attend each meeting, he should attend the kickoff meeting and express his appreciation for the willingness of each group to meet and also outline his expectations of this communication process. The Director of Planning & Community Development should attend these meetings on an ongoing basis and be responsible for managing this effort.
  - e. While individual meetings between staff and applicants is very time consuming, it is very important that staff continue to do this and, as much as possible, expand those opportunities for applicants. Common issues can be identified in this process that can become agenda items for the quarterly meetings and hopefully that will help to reduce those issues from having to be dealt with individually.



## 4. Training

Training is an important part of carrying out a service like building inspections. The city provides training that is conducted by the state for Building Inspections. The state training is very good and is very technical in nature and should create consistency in actual application. Local training is also very important for consistency of the process.

### Commendations

- 4.1. The City is commended for providing the state conducted training for the building inspectors. It is the basis for how the statewide building codes are enforced consistently in Virginia.

### Observations

- 4.1. While the state training is extremely valuable, DecideSmart observed that there is very little or no training on the local processes and procedures as it relates to the overall building permit issuance and inspection processes.

### Recommendations

- 4.2. The city Departments of Planning and Community Development, Fire, and Utilities should develop an overall training program for building inspections processes. It should include elements of the following
  - a. The flow chart that has already been developed for the building permit process, expanded to include the site plan review process
  - b. How complaints are handled
  - c. How inspections that develop violations of previous inspections will be handled and at what level of importance they will even be enforced
  - d. Customer service expectations, especially dealing with calls and other forms of communication from applicants
  - e. The city should ask the Department of Housing and Community Development (DHCD) to assist the city in developing standards and assess the needs for an overall training program

## 5. Process

Process has already been somewhat described in the training component above, but here we would emphasize that process needs to be a major component of a new automated system if the City pursues one.

### Recommendations

- 5.1. The City departments involved in the Building Permitting and Inspection process should develop overall policies and procedures for the entire process before a new system is chosen. This is important in the selection of a system because it

should meet as closely as possible the needs of the city and the customers who use the service.

- 5.2. A team including representatives from these departments and the Information Technology Department should be selected to oversee and manage the selection and implementation of a new system. Other team members may also be selected based on the value they can bring to this process.
- 5.3. Team dynamics are extremely important. There is a set of recommended structure components that will be valuable to the success of a team effort at Appendix A

## 6. Technology

Technology is a valuable tool utilized in all aspects of managing building permit application and issuance processes. Due-diligence is essential in selecting the right system, understanding all the components of the existing process, designing the system components to meet the needs, training the users of the system, and building in the needs of the internal and external customers of the system.

### Commendations

- 6.1. DecideSmart commends the staff for recognizing the need to track the progress of building permit applications as the various departments involved in that application process review them. In 2012, the Community Development staff developed a tracking system for building permits. It appears to provide valuable management information about the progress of permits; however, there are limitations in its usefulness, as noted in observations below.

### Observations

- 6.1. While the tracking system has given staff some ability to track building permits, it has significant limitations to address the concerns expressed by those in the development community and the staff, and it appears to be stretched to its limit of effectiveness. Some of those limitations are:
  - a. It is not available to the development community; in fact, many of those interviewed were not aware of its existence.
  - b. Anyone who has access to the database can make changes and access cannot be given for just information purposes, such as a builder checking on the status of a permit. This means that an applicant cannot be given access to track his/her individual permit.
  - c. Two of the departments involved in the application process do not use the tracking system for their reviews, which could be remedied with a system that can include all reviewing entities.

- d. It appears that duplicate manual records are being kept since this is not considered an automated application with appropriate back up and the securities that an automated system would have.
  - e. It does not schedule inspections or provide any assistance for the inspection process.
- 6.2. The Community Development and Information Technology Departments have proposed the acquisition and implementation of an automated system that would help the city manage the building permit process. At time of this printing, the city has not yet adopted a budget including this project.
- 6.3. Staff recognizes the limitations of providing timely information to applicants in the building inspection review processes.

## **Recommendations**

- 6.1. DecideSmart highly recommends the automation of the processes related to the building permit application and issuance process. We believe that the development of this system would address many of the concerns expressed during the course of this study by both applicants and staff.
- 6.2. In addition to the many features of an automated system, there are a number of features that would address the issues raised in the course of this study:
- a. Using secure access, give each applicant access to their application information as it is being processed by the city.
  - b. The system should track the time that city staff has each component of the building permit application and additionally track the time that applications are back with the applicant for corrections or additional information not provided initially.
  - c. Make the above information available to the owner of the property or project if they are not the applicants. This information should be valuable to city leadership and project owners to see how the time to process an application is divided between applicant and staff.
- 6.3. Consider a fee increase to help pay for the system. In some communities, this has been accomplished with the support of the development community if given reasonable assurance that a system will make the process more customer-friendly and shorten the time for the review processes.
- 6.4. Utilizing Recommendation #1 under Communications above, the city should use the process of establishing a new relationship with the development community and other interested stakeholders to help define the needs of a system. This will be a very important process to help the two entities build relationships and also design a system to meet as many of the needs as possible.
- 6.5. Prince William County, Warren County, and Spotsylvania County have recently implemented new systems. The Virginia Department of Housing and

Community Development (DHCD) also recommended looking at the Chesterfield County system as it is regarded as a good one. A site visit to those and other communities with automated systems would be a great benefit as the city documents needs of a new system. It will also help with some of the other recommendations such as development of various policies and procedures.

## 7. Performance Measures

### Recommendations

- 7.1. As a part of all the recommendations above, City leadership, through the various teams, should develop strategic performance measures that relate to the city's overall strategic direction. A balanced scorecard approach should be utilized. Balanced scorecard means that the various performance measures should not relate to one particular category but should be balanced around measures such as:
  - a. Costs and financial performance
  - b. Customer satisfaction measures (surveys)
  - c. Quality of development occurring in the City

## 8. Economic Development

Local government in general looks for opportunities to strengthen economic development and create incentives in order to be competitive when recruiting business. While this study did not specifically look at the city's economic development effort, one component related to building inspections and also the site plan review process could help give the city an edge when competing with another locality or state for a major economic development opportunity.

### Recommendations

- 8.1. Adopt a "Fast Track" process that can be used when competing for a major economic development opportunity. It should be used very sparingly and only in cases that involve competition with other states, regions, and localities. Some of the components that are recommended are as follows:
  - d. The project Site Plan Review and Building Permit Process would be placed ahead of other applications
  - e. Should be very limited in use
  - f. Approval by City Manager
  - g. Must be a project of significant size
  - h. Must be considered critical to the success of landing the project
  - i. Should not be used with routine development projects unless the project is of significant size and scope to merit the designation and that it probably would not happen without the designation

- j. Should be a project that has been recruited by the Economic Development Department

## **9. Site Plan Review Process**

In the course of conducting this study, DecideSmart representatives heard the very same comments from those in the development community. Because the site plan review process somewhat mirrors the building permit approval process, many of the same concerns appear to be happening. We would highly recommend that the city include that process in its efforts to improve the processes and customer service. Some of the similarities are as follows:

- k. Customers not knowing where their application is in the process as each of the development related departments makes its review.
- l. Customer concerns about the length of time for completing the site plan review.
- m. There is a need to automate this process as well because it is similar in nature to the building permit review process.
- n. Building permit review staff and site plan review staff would be using two different tracking systems as they conduct their work.

## **10. Survey**

DecideSmart is currently conducting a survey among several localities to give the city some comparable information regarding building inspection application and inspection processes. We hope to have those surveys back within a couple of weeks and will summarize and submit those to the city.

## **11. Inspections Plans Review Process**

During the course of this study, DecideSmart heard concerns expressed by both the development community and staff that the plans review process is a bottleneck in the building permit review process. Those in the development community complemented the city's plans review staff person, and said that when they were able to talk with him, many times their concerns could be answered. However they expressed concern that he could not easily be reached. The plans review staff person indicated the same concern. He says that he spends significant time with applicants, owners, and citizens answering questions and reviewing issues with them regarding their projects.

## **Recommendation**

11.1 DecideSmart recommends that the city consider adding staff resources to the plans review portion of the building permit application process. While we did not conduct a desk audit of that position, we did learn from both the staff and the development community that there is a bottleneck in that process. We believe that at least some of the concern from the development community could be addressed. We also believe that once the city develops a system that allows applicants access to their application on line, a portion of the time now consumed answering questions will be reduced potentially allowing the city to reduce that staff resource.

## Appendix A: Team Structure and Team Dynamics

Harrisonburg City leadership should appoint a team of knowledgeable staff members who are involved in the operation of the service. Some of the resources needed for the team will be as follows:

- **Team Leader:** Choose a team leader who is as impartial as possible related to the service area.
- **Major Processes:** Define the major processes involved with the service being joined.
- **Flow Charts:** Have the team flow chart the processes currently used by each organization. This is basically an expansion of the flow chart process that has already been developed.
- **Customers:** Identify the customer or customers, both internal and external, of the service.
- **Team Charter:** A team charter should be developed for the project. A charter is a definition of the process to be used by the team. It defines the product it will deliver and sets parameters within which the team should operate. The charter should be approved by leadership and should have the following components:
  - **Charter Sponsor:** This should be someone in a leadership position related to the service being implemented.
  - **Team Advisor:** This person should not be involved in the details of the process being developed but should guide the team in the charter provisions and teamwork strategies.
  - **Team Leader:** This person is responsible for ensuring that meetings occur, attendance is kept, and progress is being made. This person is responsible to report progress to the charter sponsor.
  - **Team Members:** These individuals should be staff from the various departments who are most knowledgeable of the project.
  - **Timeline:** The charter should include a timeline for the work to be accomplished.
  - **Final Product:** The charter should define the final product expected of the team based on the charter definition. That most likely would be a written and flow charted definition of the revised and automated system.
  - **Boundaries of Charter:** The charter should define the boundaries within which the team is to work and report. If a team does not clearly understand the boundaries of its work, it can wander into areas that may not be desired and waste time on work that is not within their purview.
- **Final Product:** Ideally, the team will produce a complete definition of the existing separate processes and a new joint process. It should include:
  - Staffing of the new process.

- If not already determined, which department or departments will be responsible for the new process
- A new definition of the process (flow charts work well)
- An implementation schedule
- Implementation Team: An implementation team including members of the analysis team should be assigned to implement the service.

### **Training for Team Members**

Training should be provided to team members that may be called on to perform the actions described above. There are techniques applicable to flow-charting and team dynamics that will be very beneficial to the efforts described above. DecideSmart can identify training programs that could accomplish this objective. The Institute of Government at UVA is also very good at arranging this type of training and has a very solid reputation for providing training programs and courses to local governments.



## Appendix B: DecideSmart Team

**Lane Ramsey:** Mr. Lane Ramsey is a Principal in DecideSmart. He served in local government leadership positions for 35 years, including 20 years as County Administrator for Chesterfield County, Virginia. Under his leadership, Chesterfield County built a human resource and performance evaluation system that enabled it to win the highly prestigious United States Senate Productivity and Quality Award, as well as attain and maintain an AAA bond rating from Moody's, S & P, and Fitch rating agencies. He understands and has practiced local government budgeting and finance and implemented many financial policies in Chesterfield that solidified bond ratings and financial stability. He and his Community Development Departments reinvented the various processes for Building Permit and Site Plan Review process during his tenure as county administrator.

**Bill Leighty:** Mr. Bill Leighty is a Principal in DecideSmart. He is the former Chief of Staff to Governors Mark Warner and Tim Kaine. He served as Co-Chair of Governor George Allen's efficiency committee and Senior Advisor to Governor Bob McDonnell's Commission on Regulatory Reform. Mr. Leighty is a nationally and internationally recognized expert on governmental efficiency, the use of benchmarking and best practices, and the reorganization of governmental business models. He guided the creation of Virginia Performs, Virginia's strategic management and performance system that provides ongoing evaluation of governmental performance. In addition, Mr. Leighty worked with the Government of Scotland in developing a national performance management system.

**Dr. Bob Holsworth:** Dr. Bob Holsworth is a Principal in DecideSmart. He is a former Dean of the Virginia Commonwealth University (VCU) College of Humanities and Sciences and the founder of both the VCU Center for Public Policy and the VCU Wilder School of Government and Public Affairs. He has led and designed local, statewide, multistate, and national survey projects. Dr. Holsworth was the Executive Director of Governor Mark Warner's Commission on Efficiency and Effectiveness in State Government.