



City of Seattle

Department of Planning and Development

Diane M. Sugimura, Director

MEMORANDUM

TO: Sally Clark, Chair, COBE

FROM: Diane M. Sugimura, Director

DATE: May 9, 2011

SUBJECT: Response to Council's Reconfirmation Questions

Thank you very much for the opportunity to respond to Council's 13 questions in preparation for my reconfirmation as director of the Department of Planning and Development (DPD). Once again, this has provided me with an opportunity to reflect on the past four years at DPD and to share some of my thoughts regarding where we are as a department and how we should move forward.

I look forward to further discussions with you and your Council colleagues. Thank you very much for taking the time for and interest in my reconfirmation.

Attachment

cc. Michael Jenkins, Council Central Staff
Mayor Mike McGinn
Tim Killian, Mayor's Office



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City Council Questions

Department of Planning and Development Director Reconfirmation

1. Please describe past departmental or organizational accomplishments.

All Department accomplishments are the result of the work of many people here at the Department of Planning and Development. Some the highlights over the past four years (in no particular order) include:

- Directing the department through one of the greatest development booms in decades, and then handling perhaps the steepest development decline in the history of Seattle. The Department increased from about 330 staff to a high of 450 (plus mandatory overtime and contracting work out), then dropped to about 300 in two years. Completing the workload was most challenging, but the personal cost in terms of layoffs was most heart wrenching. And, we still needed to keep the remaining staff motivated to do even more and better, with less.
- On a happier note, completion of major planning-related projects including the Multifamily Code and South Downtown, and significant progress on South Lake Union and the Shoreline Master Plan (SMP) update.
- Leading edge on sustainable development concepts including the Green Building Task Force; Energy Disclosure; Preservation Green Lab and the Outcome-based Energy Code model; Sustainable Building Policy; Seattle 2030 District; Priority Green Permitting incentive; and the Living Building Pilot ordinance.
- Learning from the 2009 Neighborhood Planning experience and developing an improved strategy for implementing Phase 1 plans with implementation action teams and development of Urban Design Frameworks; starting the Phase 2 plans with a new approach, but with the continued use of the POL (planning outreach liaison) concept.
- Taking big steps with the Central Waterfront work, including a unique team selection process.
- Creative/innovative policy and code work ... streamlined Design Review, parking reductions, Backyard Cottages, interim use for stalled projects and light rail parking, Green Factor refinements, and peat settlement prone areas regulations.
- Building in specific Race and Social Justice Initiative (RSJI) performance expectations for directors, managers and supervisors, as well as making this a requirement to gain full merit leave days.
- Piloting E-Plan review; conducting a usability study of our website, and customer surveys; posting on-line our performance metrics for permit review turnaround times.

2. Identify achievements that are good examples of your leadership approach.

I hope a number of the above accomplishments are an indication of my leadership approach. So, how would I describe my approach? As I have shared with staff, what I look for in an employee is passion and enthusiasm, initiative, common sense, a positive attitude, creativity and innovation, looking forward rather than dwelling on the past, and keeping a sense of humor. While this may not sound like a leadership approach ... this is what I try to convey as

the director of the department. I also tend to ask a lot of questions. And as Giuliani said in his “Leadership” book, surround yourself with great people. I would add ... and people you can trust when asking for guidance. Then the work gets done.

3. Describe your ability to complete projects and work programs in a timely fashion.

In Operations, while we currently have an issue regarding Intake Appointment times, we have been meeting most of our turnaround goals for permit review for quite awhile. The same is true for Code Compliance. Both divisions monitor reports on a regular basis, to see how consistently they are meeting their targets.

Personally, as long as I know what the deadline is, I believe I’m generally able to keep to that deadline.

However, I believe that this question may not be meant to be about turnaround times or about how I work. I believe we do fine on tasks that have a specific deadline such as preparing our budget, turning in our SLI responses, and such activities. Where we are challenged are with land use planning projects with their public outreach components. We work hard to reach out to stakeholders early in the process, but no matter how much we do that, additional concerns are often raised late in the process. John Skelton likes to say that 80% of the work takes place in the last 20% of the schedule – and for us that is primarily due to last-minute issues that arise. The street food vending legislation is a good example. We just learned of late-breaking opposition that had not been anticipated. Invariably, people want more time whenever there is controversy. This is hard to anticipate and plan for. And we are often asked to extend deadlines for comments, which, depending on the situation, may be very appropriate. Taking this into account, our Planning Division is putting in place new tools to help our planners in building in time for these last minute issues. While this is an imperfect science, we believe it is important to be upfront about the likelihood of these issues arising, and sharing that early with decision-makers.

4. Please describe your approach to balancing budget priorities in an environment where budget reductions are necessary?

Unfortunately, we have lots of experience with this. This seems to be a regular part of running DPD, a department that was hit by the recession sooner than most of the rest of the City departments. The department is more than 80% funded by development fees, and that funding can only be used for the permit side of the department. We have reduced our Applicant Service Center hours to make sure staff have time to do the review work. We’ve reduced the capacity of the on-line land use Q&A, and eliminated free land use coaching. The good news is that there has been quite a demand for paid coaching, so people are willing to pay for the service. The challenging part is when we cut resources in one area, we often have work popping out in other areas. For example, some people will just call staff directly now to ask a question. We are also seeing more basic zoning and permitting questions coming through the Customer Service Bureau, so we either need to call or write a response. We continue to watch how that is playing out.

For the development fee side of the department, we need to continue to provide the basic essential services, which are many, since we are the only entity doing this work for development in the city. Within our resources available we need to balance intake appointments with review capability, always keeping in mind needs of the customer. This means that if we were to open a lot of intake appointments but did not have the staff to review plans, the applicant may feel better at the beginning but would then be unhappy with the review turnaround times. Under our current practice, “consistently prepared applicants” (CPAs), which include most complex permit applications, know to plan ahead and schedule the appointment rather than waiting until they are ready to come in to make the appointment. We recently added 25% more in-person appointments to the calendar and also added some extra electronic plan submittal appointments. We’ve posted on-line our appointment timelines to try to alert applicants; a handout has also been prepared, which is available at the Applicant Services Center. Intake supervisors are working directly with customers to adjust appointment schedules whenever possible.

During all this, we continue to expedite subsidized housing and green projects, which are priorities for the City. We encourage applicants to talk with us as early as possible so we can understand their timing needs and we can help work out a strategy for getting through the permit process. We emphasize that the applicant also has a responsibility to turn in quality projects and to be responsive to corrections, so the project does not have to go through an unusual number of correction cycles.

We also shift resources around when we see more significant problems in specific areas. We have approved some limited overtime, and we are looking at increasing hours or adding staff in a few limited areas. We need to do this very carefully to make sure we have the dollars to cover this.

The General Fund supports primarily Code Compliance and Planning divisions, as well as a small percentage of the overhead functions (administration, Public Resource Center, community outreach and director’s office). We’ve had to make reductions in both of these areas over the past several years as well.

For Code Compliance, we balance limited resources with issues that are most hazardous to the tenant or general public. These include conditions that present a threat to health or safety, such as violations in rental housing, illegal unit violations, uses that do not have required permits, and other violations that have a significant impact on the community.

For City Planning, we have developed a work plan that has been reviewed and approved by the Mayor, City Council and the Planning Commission, which has been a helpful way to get agreement on what activities are “above the line” and “below the line.” As part of the process we look at activities that are mandated by state or federal requirements (e.g., update of the

Shoreline Master Plan), as well as City requirements (e.g., report back on the Backyard Cottages). This continues to be challenging, however, since important additions and expansions of topics seem to emerge almost weekly!

5. How do you address threats to employee morale?

Open communication, and encouragement, support and thanks. During the challenges of the budget and subsequent layoffs, we tried to be as clear with staff as possible, even when the message was not good. We worked to keep staff informed as early as we could. Sometimes we were criticized for letting staff know about layoffs, for example, before we knew how many. However, others told us they appreciated the fact that we kept staff in the loop as early as possible. During the layoffs we also had many forms of communication ... Q&A sessions, online responses, anonymous box for comments and questions, sessions with employment support. We have all-staff meetings and all department emails. Sometimes we have coffee chats that are open-ended; sometimes they are on specific topics. We may have discussions at unit staff meetings, or meetings with individuals in my office. Any staff person can ask for time to talk. I also met individually with the great majority of the 150 staff who were laid off in the past two years. Not an easy conversation but an important one.

6. Give an example of your strategic planning abilities and describe an experience using strategic planning.

The assumption is that this question is in relation to how we work as a department, rather than strategic city planning, as in comprehensive planning. Please see the response to question number 4, which has been a significant departmental strategy for how we keep functioning through the ups and downs of the construction cycles. Some other examples are:

- Rental Housing: Recognizing that the state legislative process was not resulting in a satisfactory outcome from the City's perspective, we worked with the Mayor and Council to come up with a process so that Seattle could take the time needed to develop an appropriate program to address the issue of substandard housing.
- Preservation Green Lab: I started noticing difficulties with historic buildings and the Energy Code, when a couple very prominent projects were in the review process. While very energy efficient buildings continue to be a high priority, we were having a difficult time finding ways that historic buildings could meet the standards. We also knew that there were additional actions that could be taken to make the buildings more efficient, but that were not recognized by the code. We pulled together a discussion group of designers, developers, technical experts, preservationists to talk about the issue. Soon after that meeting, representatives of the National Trust for Historic Preservation were in town. We met with them and started talking about a strategy for working together and to be a model for others to learn from. The Preservation Green Lab, intended to serve as a national model, is located in Seattle and lead by a Seattle innovator. DPD has been very involved, along with the New Buildings Institute.

- Strategies for Meeting City Objectives: A demonstration ordinance for the *Living Building Challenge* ... an opportunity to learning from a real project, what regulations and processes may need to be changed in order to achieve truly sustainable buildings. We also established a project-specific Technical Advisory Committee that worked with the development team, to help them reach their goals. (I heard from the designer that this was very helpful.) Developed and implemented *Priority Green Permitting* to encourage more to develop sustainably. The *Innovation Advisory Committee* was established to work with applicants early on, rather than appealing a code provision at the end, as the last resort.
- Discussions with Applicants and Their Representatives: There have been times that I work behind the scenes such as suggesting that some new resources are needed; that rather than tweaking a design a more significant re-design is needed; or that a different rezone strategy would be more appropriate.
- Customer Service Manager: Establishing a position to serve as an ombuds person ... a liaison to the Mayor's Office and to City Council; serving on the City's Business Advocacy Team; serving as the Industrial Permit Liaison; responding to significant community issues such as landslides and uses without appropriate permits.

7. Please talk about your commitment to diversity in hiring, workplace operations, contracting, and constituent services.

The Department of Planning and Development is strongly committed to this important issue. In spite of the challenges of reduced resources, we continue to encourage staff to participate in the Race and Social Justice Initiative (RSJI) activities in the department, and continue to remind supervisors that this is part of the work of the department, not something extra.

We have established an RSJI performance expectation for all staff eligible for merit leave (directors, managers, strategic advisors, some IT professionals) – full merit leave days will not be awarded without accomplishing the following:

- Participate in RSJI Core and Supplemental Training, as appropriate
- Respond promptly to complaints of racism in the workplace
- Demonstrate support by reviewing a program, process or policy in their area of responsibility using the Racial Equity Toolkit; and prepare a report outlining steps to implement changes to increase equity/decrease racism or prepare a report to submit for publication with the Seattle Office of Civil Rights for Best Practices.

Hiring and Workforce Development: While we have had very little opportunity for hiring for a number of years now, we have been taking steps to improve our process. In addition to participating in and taking actions consistent with the City's Workforce Equity Committee, the DPD Race and Social Justice Work Plan includes activities such as:

- Training managers about best practices in hiring; tracking and monitoring our progress
- Identifying strategies for increasing diversity at all levels of DPD as a key element in workforce succession planning

- Continuing to use the out-of-class process that DPD developed (and is now being used Citywide)
- Encouraging all managers, strategic advisors and supervisors to participate in RSJI Core and Supplement Training, most recently the Equity Toolkit training

As we continue our pilot for E-Plan (electronic plan review) and prepare for the possible switch to an all electronic system, we are starting early to plan for the new skills that will be needed.

With reducing our staff by a third in two years, we lost a number of people of color. However, overall, our stats have even improved. We do, however, still need to make improvements in certain job categories.

We also faced a very difficult problem during layoffs. We encouraged some of our administrative staff to reach for a higher job class. They did and were successful, but then ended up being the newest in the job class, thus were laid-off. Their many years of quality service in a lower job class did not help once they moved to higher classification. This was heartbreaking, but it is the system.

Contracting and Purchasing: While we've been pretty good at reaching our goals and increasing our goals each year, a WMBE percentage does not tell the whole story. I noticed that we tend to meet the goal with women-owned businesses more than with minority-owned businesses. This has been a challenge. We are specifically reaching out to firms, going to fairs, training our staff, but as our consulting resources have been reduced significantly, we have less opportunity to make improvements. For a number of years, the great majority of our contracting dollars were spent on IT and consulting services for plan review. These were both areas where it was challenging to meet this goal.

Constituent Services: Working with the Department of Neighborhoods, we implemented the Planning Outreach Liaison (POLs) concept for Neighborhood Planning. This was very successful; we continue to employ a similar process, although costs continue to be challenging. We keep looking for other ways to reach out to traditionally underrepresented communities ... attending community fairs and meeting in the community rather than expecting them to come to our meetings. We also continue to review key documents to determine what should be translated. Our key documents have already been translated.

I believe it is also important to note that our codes are traditionally based on community standards – standards of the majority population. This can be an issue in terms of what is important in some neighborhoods and what is not.

8. What is your organizational management approach? How does DPD’s current structure help achieve City priorities?

We are one department; we are one City. I believe there is no single “right” way to be organized, whether from the broader City perspective or within DPD itself. There is, however, an important way to work together ... openly, collaboratively, in a sharing and coordinated manner. My expectations for the department are centered around the department’s core values and envisioned role of the department; how our external and internal customers describe the department; and how the staff describe DPD. These are posted on our inweb, shared at new staff orientation, discussed with directors and managers at Leadership meetings and at department retreats.

Our current organization includes:

- Administration: Technology, human resources, finance and accounting ... the services that make the department run.
- Public Information and Outreach: This includes working with elected officials, the residential and business community, responding to the media, the ombuds function, and planning many outreach activities ... events, meetings, open houses, publications, notices and social media.
- Operations: The largest part of the organization – project and plan review, Design Review, permitting and inspections program, which also includes licensing for elevators, boilers, etc.
- Code Compliance: Enforcement of numerous codes to help ensure that properties and structures are used and maintained appropriately, including shoreline, vacant buildings, tenant relocation assistance and just cause eviction.
- City Planning: This division covers the full range of planning from Comprehensive and Neighborhood Planning, land use policy and code development, City Green Building, as well as the Design Commission and the Planning Commission.

Bringing long range planning into the “building” department in 2002 was very helpful in terms of improving coordination of our policies and codes with real project implementation. City Planning, Code Compliance and Operations are all able to learn from each other ... what is working and what is not, are we achieving what was intended or not, and if not, why not?

9. If you are confirmed for another term what will your priorities be?

Most immediate priorities relate to balancing important departmental functions with available resources, as described in question number 4 above. Other priorities include:

- Update the Comprehensive Plan ... using the current document as the base, plus bringing the document into the 21st century, making it more accessible and user-friendly and ensuring it serves as a guiding document for broad City actions
- Implement the five Neighborhood Plans that have been started
- Continue to make great progress on the Waterfront work

- Develop a workable and more proactive strategy for helping to ensure safe/quality rental housing
- Move forward with full implementation of E-Plan (no paper plans)
- Collaborate with the University of Washington and Sound Transit on planning in the University District
- Move the City back into the lead in sustainable development
- Test new approaches to planning with communities in light rail/bus rapid transit station areas and corridors
- Continue to see Design Review evolve so that the costs and time are reduced while still reaping the benefits of this valuable program
- Find a bucket of gold for the department

10. How can DPD and the City better achieve our goals when it comes to proactive urban planning? How does community-based planning figure into DPD’s approach to planning?

Develop a clear and strong planning agenda for Seattle, focus on implementing it over the long term and keep focused rather than straying. Over the past few years, we have been working to advance key projects we believe are a priority for managing the city’s growth in a responsible way: the South Downtown Rezoning, the Multifamily Code Update, and the upcoming South Lake Union rezoning are all examples. With such scarce resources, we now must be diligent at focusing our planning resources on projects that build on our successful Urban Centers/ Urban Villages strategy from the 2004 Comprehensive Plan. With our current budget environment, this will mean doing more with less (we’re well-versed in that art), but increasingly we need, as a City, to prioritize and remain true to those priorities. This will have to mean not doing everything. (Staff gave me an “N” - “O” necklace to remind me.) This year we introduced a prioritized three-year work plan which we’re using with the Mayor’s Office and Council, in consultation with the Planning Commission to set priorities and ensure we deliver the work we commit to. This has helped tremendously, but we still see more requests for important but additional work items. The more we are able to stay focused on those priorities, the better we’ll do at really getting meaningful planning done in Seattle.

Community-based planning is core to how we approach our planning work. Seattle has established itself as a leader in this regard over and over, first with neighborhood planning in the 90’s and more recently with our “planning outreach liaison” model. We’ve also been developing Urban Design Frameworks in various neighborhoods, which has helped to bring divergent interests together ... indicating that groups often have more in common than not. Now, we must take what we’ve learned and expand it to our other projects – so we’re using the state of the art in community-based planning wherever it makes sense, and budgeting for the resources needed to do it right. Unfortunately, in recent times, this is what gets whittled away, yet we are still trying to do the whole project!

We also need to be proactive – leading and educating about the city’s broader planning objectives. We are a city made up of many important and unique neighborhoods. We are also more than just a group of individual neighborhoods. It is important to help communities think about their neighborhood in relation to other neighborhoods, and in relation to the overall City goals.

11. Please describe your goals when it comes to enforcement and compliance. How can DPD improve its “reach” when it comes to enforcement?

Our goals for enforcement are to:

- Minimize impacts of numerous staff reductions over the past several years.
- Maintain response times for high priority categories of violation complaints – conditions that may impact health or safety, including potential emergency situations, rental housing maintenance, illegal units, unauthorized uses, vacant buildings, other kinds of situations with significant detrimental impact on neighbors.
- Recognize that we will no longer routinely inspect every complaint that is a lower priority category (e.g. non-hazard vegetation overgrowth).
- Maintain record of resolving 75% of housing and zoning violation cases within 90 days of the compliance date.
- Continue to build and use collaborative relationships with other agencies such as SPD, SFD and Health to help address community concerns.

The enforcement program is designed, based on resources, to be a complaint response program. Consequently expanding our “reach” would be difficult. However, the concept of something like a Rental Housing Licensing and Inspection program is an example of how the City could extend the “reach” of City codes to help increase compliance with rental housing standards, without relying solely on responding to complaints. This, of course, assumes program implementation includes resources necessary to run such a program.

12. Describe a recent experience you’ve had with a public relations challenge? What was your role and what was the outcome?

A recent high profile issue has involved a public safety issue, which appears to have ultimately resulted in impacting an important community business. Since the business owner was not able/willing to comply with the regulations, the business has since been shut down. This was most unfortunate; this was not our goal. However, when fire life safety issues are involved, the City cannot ignore the situation and pretend that it does not exist.

I was heavily involved all the way through this issue, which has been going on for almost a year. I was the primary contact with the Mayor’s Office and with the Fire Chief. I also called all Councilmembers in recent weeks to offer a briefing if they desired. The knowledgeable technical staff within both DPD and the Fire department have had extensive conversations

about appropriate actions for this particular case. I was then brought into the final decision making at each step of the process.

Our strategy was to take the time to work with the owner to get clarity on his options. I believe we were very clear from the beginning. We often put it down in writing. We committed staff resources, assigning specific people to work this particular project. Several managers and at least two directors were heavily involved as well as the Fire Marshal's Office and the Fire Chief. We were hoping the business owner would follow one of the options discussed. Over the months working this issue, we extended time periods for compliance. We had numerous phone and email conversations, as well as meetings. I also participated in meetings with staff and with the business owner, in an effort to work out options and talk about how he could get to compliance. Unfortunately when we said we would "work together," that seems to have been interpreted as "we will not make you follow the codes." The City cannot just ignore important life safety issues, and cannot bail out a business owner no matter how important the business is to the community.

It has been interesting and a sad commentary on email discourse ... I read more than 150 messages. When we were able to explain the City position, many of the comments were favorable to the City's actions. However, for those who read the explanation from the business owner, the responses were very one-sided in support of the owner – life safety issues did not seem to matter.

13. What is your general philosophy for how to most effectively work with a City Council, other elected officials, and citizen advisory bodies? How will you be responsive to their requests in order to accomplish priorities that they have identified in those instances that their priorities compete for time with yours?

In terms of elected officials, I find the best approach is to talk clearly, openly and early, whenever possible. I also know that while some policies are under development, I am not in a position to share all information. I hope Councilmembers have experienced this to be true, and can also understand when I am not able to share all. We also work hard to be responsive to requests for information and for assistance with responses to constituents, and to be a player on joint projects such as two recent new topics, Greenways and Car Camping.

In terms of working with citizen advisory bodies, I've learned what I believe are important lessons. These groups should include people who can represent a range of interests and knowledge so we are hearing all sides of an issue. It is also important to have participants who are good listeners, and who can understand and consider perspectives that may be different from their own. Participants should be respectful of others, including staff. We have found that a selection process where applicants tell us, in writing and in person, about their interests, their experiences in their community and in working with advisory-type groups, can be very positive. We've used this process in Northgate, with the shoreline update, and with the recent

Neighborhood Planning advisory committee formation. And, on controversial topics, it is important to have an outside facilitator whenever possible.

One approach to responding to competing priorities ... I am initially participating for the department, at least until more specifics are identified regarding expected departmental contributions, such as if a code amendment needs to be drafted. This is not sustainable, but is the case for two new topics noted above ... greenways and car camping. Most of these competing priority issues arise in relation to City Planning. Please see my response to question number 10 above for more details ... the main point is agreeing to a work plan, agreeing to changes to that work plan, and recognizing that something is going to have fall "below the line" when something more is added "above the line."