

PSLU Committee

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To: PSLU Committee
Cc: Lance Taguchi; Scott Kaneshina; Lani Nakazawa
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Attachments: Spire PSLU Presentation - 20220616.pdf

Aloha,

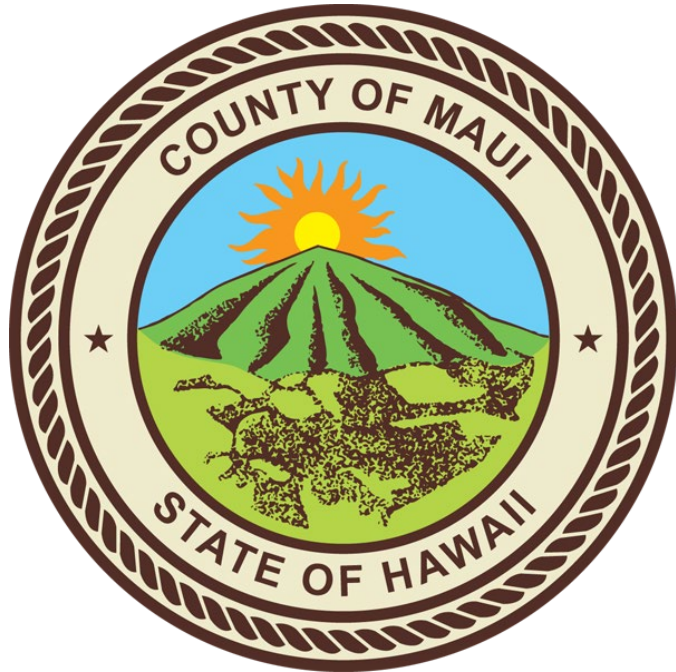
Please see attached presentation for the PSLU Committee meeting on June 16.

Mahalo,
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Assessment of the County of Maui
Department of Planning
Zoning Administration and
Enforcement Division

June 16, 2022

Audit Objectives and Scope

- Objectives
 1. Evaluate the ZAED's processing of permits and land use compliance. Determine if any backlog exists.
 2. Evaluate the ZAED's enforcement of zoning and land use regulations. Determine if any backlog exists.
 3. Determine staff morale and the level of customer satisfaction with services provided by the ZAED.
 4. Make recommendations for improvement when appropriate.

Methodology

- Interviewed past and present ZAED employees and Planning Department Director.
- Sent a voluntary employee survey to all ZAED employees, analyzed survey results.
- Sent a voluntary customer survey to over 3,500 persons or companies who had contact with ZAED during the test period from FY17-FY21, analyze results.
- Examined ZAED application and complaint files, electronic records of permitting activities in the KIVA system, and departmental annual reports.
- Conducted research on best practices and legal requirements.

Finding 1: The conditions under which ZAED is required to process applications contribute to lengthy permit review times and inconsistencies. ZAED does not have performance measures for reviewing applications. A backlog of permit applications exists.

- The conditions that affect ZAED permit review time include staff turnover and vacancies, the assignment of additional duties to ZAED staff, and applicants who do not provide timely responses to requests for additional information. For building permits, permit processing delays cannot be solely attributed to ZAED, as there are multiple state and county agencies involved, and each sets its own priorities.
- ZAED must follow County and State requirements when reviewing applications. These requirements, including Title 19 and Departmental policies and memoranda, can be unclear and inconsistent.
- ZAED lacks quantifiable performance measures. Without them, management cannot identify or address performance issues that might affect the application review process.

Finding 1: Recommendations

1. The Department and ZAED should jointly create and adopt quantifiable performance measures that reflect good or poor performance. Further, the Department and ZAED should consider establishing a process where performance is monitored throughout the year and compared to goals.
2. To address delays caused by a system that requires the involvement of multiple county and State agencies in the application review process, the County should consider implementing the recommendations in 2018 Title 19 Report and explore the formation of technical review committees that include State and County agencies to shorten review times.

Finding 1: Recommendations (cont.)

3. To address delays caused by applicants' failure to respond to requests by the reviewing agencies to supplement or correct applications, the County could consider best practices for addressing delays from incomplete or defective applications including establishing response windows and issuing detailed "how-to" instructions and explanations that will help applicants understand the permitting process and requirements from the outset.
4. To reduce risk to the County from inconsistency, the Department should consider accelerating the revisions to Title 19, County Plans, and other policies and documents governing land use collectively, as recommended in the Title 19 Report, to the extent relevant and feasible.

Finding 1: Recommendations (cont.)

5. To address its backlog and loss of institutional knowledge, the ZAED sections reviewing applications should quantify their personnel and resource needs and make them known to the Director, who determines what ZAED receives from the overall Planning budget. Given the limited availability of qualified persons to fill vacancies, the Department and ZAED should also develop retention strategies (including addressing issues in the employee survey, compensation plans, and succession plans) so that existing expertise is not lost prematurely.

Finding 2: ZAED's enforcement of land use and zoning regulations is hindered by a lack of training, forms, and processes. A backlog likely exists.

- Employees and stakeholders recognize the need for ZAED to improve its ability to enforce, including training on land use regulation and enforcement, clearer and more understandable forms and procedures, and attorney support.
- The backlog for enforcement actions is caused by various reasons including insufficient personnel to handle the increase in vacation rental enforcement, the requirement that ZAED conduct inspections for other divisions, the need for inspectors to do more paperwork because there is no clerk, the increase in appeals, and the increase of attorney involvement in enforcement matters.

Finding 2: Recommendations

1. The Department and ZAED should consider providing inspectors with additional tools to improve their ability to enforce, including training applicable to enforcing laws, clearer and more understandable forms and procedures, and more legal support from Corporation Counsel.
2. The Department and ZAED should jointly create and adopt quantifiable performance measures that reflect good or poor performance. Further, the Department and ZAED should consider establishing a process where performance is monitored throughout the year and compared to goals.

Finding 2: Recommendations (cont.)

3. To address its backlog, the enforcement section should quantify its personnel and resource needs and make them known to the Director, who determines what ZAED receives from the overall Planning budget. Given the limited availability of qualified persons to fill vacancies, the Department and ZAED should also develop retention strategies (including addressing issues in the employee survey, compensation plans, and succession plans) so that existing expertise is not lost prematurely.

Finding 3: The employee survey had a high response rate, which usually indicates that employees have high expectations that the survey results may result in some positive outcome. The ratings and comments in the survey clearly indicate that employees have little confidence in Department leadership. Departmental leadership is described as heavily politicized, and unconcerned with the welfare of staff.

- Employees' responses also clearly indicate that the way work is done, managed, and organized in ZAED and Department needs to be improved, and the staff do not perceive that they are properly engaged in the improvement process.
- Survey results indicate that communication between the Department and ZAED is severely damaged. Unless communication is improved and trust developed with Departmental leadership, it is very unlikely that any significant improvements will be possible.

Finding 3: Recommendations

1. Survey data always portrays a limited perspective on any complex organizational situation. It is essential to seek out alternative views and information to balance and inform the survey data. This survey results portray a very negative view of Departmental leadership and its relationship to political forces. It is important to evaluate and verify whether this is a valid view.
2. Survey results indicate that the Division has many assets. The high response rate, and positive ratings on the Maslow factors, positive ratings, and comments about perceptions of other employees, supervisors, and managers other than Departmental leadership suggest that, with proper Departmental leadership, the morale and performance of the Division could be significantly improved.

Finding 3: Recommendations (cont.)

3. The most fundamental aspect of any organization is its mission and the values it embraces. When a government entity that is tasked with a service and compliance mission that is heavily influenced by politics and the potential for financial gain, there is an inevitable crisis and test of the morality of the leadership involved, usually at the level of the County Council and the Departmental leadership. It appears that a decision must be made whether to task Departmental leadership with establishing an objective, principle, and policy-based operation, or allow the Department to continue to run in a manner in which that objectivity is questioned by its employees.

Finding 3: Recommendations (cont.)

4. If the senior leadership referred to above does not opt to pursue an objective, principle-based operation, then it is best to just accept the current circumstances as inevitable and invest no further efforts in making improvements. Limited, band-aid approaches to such organizational situations seldom if ever produce any benefit. If, however there is a sincere motivation to create a viable, objective operation, the place to start is with an honest dialogue between Departmental leadership and key managers at other levels of the organization to develop a plan for addressing the most improvable factors in the organization which include:
 - a) Clarification of the mission of ZAED and its relationship to the other divisions.
 - b) Improvement of the processes that are an impediment to positive morale and effective service to the public.
 - c) Enhancement of the training, information access, and materials required for staff to do their jobs properly.

Finding 3: Recommendations (cont.)

5. Given the lack of trust that is evidenced in the survey feedback it is likely that a "guiding coalition" coordinating committee made up of leadership, management and staff level individuals should be formed to plan and execute the required changes in the Department and Division.

Finding 4: The positive survey responses point to the knowledge and capability of the ZAED staff. Many of the negative responses and comments point to issues with staff empathy with customer issues, responsiveness and timeliness, inconsistencies, and varied interpretations within the application process.

- The responses to the survey characterized the service and aptitude of ZAED as positive in the following areas: reliability, helpfulness, knowledge of the subject matter, and that information provided was readily available, clearly presented, and easy to understand.
- The negative responses identified problems with the level of responsiveness, the level of care and consideration for personal situations and needs, consistency, and the process taking too much time. Architects, developers, and neighbors responded negatively to most of the questions, while company representatives, small landowners or homeowners, and attorneys responded positively to the majority of the questions.

Finding 4: Recommendations

1. The Department and ZAED can use the analysis results of the customer survey segmentation by application type to focus the types of permits with the most negative responses such as comprehensive signage plans, flood development permits, and SMAs; and develop solutions to improve on the permit process and determine how those solutions can help those in ZAED.
2. The Department and ZAED should jointly meet and discuss with applicant types who responded more negatively to the survey to better understand their dissatisfaction with the current permitting process to gain further insight and determine if there are potential solutions. The feedback gained from these discussions could provide greater clarity of the applicant issues, determine which issues are valid or invalid, and provide a better basis for future solutions.

Finding 5: ZAED substantially completed its implementation of the Zucker recommendations within its jurisdiction and control.

- ZAED was assigned 25 of 128 recommendations.
 - Seven (7) were completed
 - Two (2) are pending
 - Five (5) are not relevant/can't be completed
 - Ten (10) are outside of ZAED's jurisdiction
 - One (1) is unknown

Finding 5: Recommendations

1. For the recommendations that are not completed, ZAED needs to continue to scan old case files and prepare administrative rules and procedures for plan reviews, which will be difficult with the loss of key staff with institutional memory.
2. Planning and ZAED also need to review findings and recommendations made by two other reports and implement those that would improve the planning and permitting system. One of the reports is an audit of the Zoning Code by Orion Planning+Design entitled "Title 19 Zoning Code Audit, Final Report - March 2018." The other is a "User Fee Study, Department of Planning FY 2009-10; County of Maui, Hawaii; Final Results Dec 2, 2009" by the Matrix Consulting Group. Although some time has passed since these reports were issued, their work should be leveraged to make the planning and permitting system more effectual and cost effective.