



[Issue](#) | [Background](#) | [Findings](#) | [Conclusions](#) | [Recommendations](#) | [Responses](#) | [Attachments](#)

# Summary of Trouble in Paradise

## The Woodside Development Review Process

### Issue

Does the development review process in the Town of Woodside provide Town citizens with efficient, consistent, and timely services?

### Summary

The San Mateo County Civil Grand Jury (Grand Jury) investigated the Town of Woodside's development review process. The investigation focused on why some applicants do not respect and often question intentions of the staff, and why the staff does not always produce a level of customer service that precludes applicants' questioning their motives.

The Town of Woodside is a unique and vibrant community of active residents with an interest in ensuring that the community retains its small-town, wooded, hillside nature. The Town's development review process requires that an applicant's plans be reviewed by a number of departments. The Planning and Building Department is responsible for providing development information, conducting preliminary reviews of development proposals, and coordinating and processing permit applications. The Public Works/Engineering, Geology, and Fire departments must either approve or recommend changes to the plans. If not approved, the applicant must change the plans and resubmit them. Construction cannot begin until all approvals are obtained.

A staff of six planners and project managers answer customer inquiries and process permit applications. With approximately 550 building permits issued each year, they are extremely busy. Despite concerns by some, the Grand Jury heard many favorable comments concerning employees involved in the development review process.

Woodside's permit process tends to be a series of fragmented activities by the various reviewing departments. Because the process is not well coordinated, submittals

occasionally fall between the cracks and deadlines are missed. This causes the effectiveness and credibility of the process to suffer.

In a town known for its restrictive regulations and assertive applicants, employees must be well trained to respond properly to inquiries or process complex applications. Because some of the staff are not trained sufficiently, many issues are escalated to a department director. Consequently, directors become so consumed by the current crisis that they do not have time to anticipate and plan for the next one.

The Grand Jury's recommendations include: restructuring the management of the development review process; creating a FastTrack permit program for less complicated applications; ensuring adequate staff training; updating the Town's database of building codes, maps, and pamphlets; and ensuring that communication between staff and applicants expedites the permit process.



## **Trouble in Paradise**

### **The Woodside Development Review Process**

#### **Issue**

Does the development review process in the Town of Woodside provide Town citizens with efficient, consistent, and timely services?

#### **Background**

The Town of Woodside is a unique and vibrant community of active residents with an interest in ensuring that the community retains its small-town, wooded, hillside nature. The Town was incorporated November 16, 1956, and its population on June 30, 2005, was approximately 5,400. The Town operates under a Council-Manager form of government, with seven elected Council members served by a full-time Town Manager and staff. The Town has 19 full-time employees who are responsible for: public works, planning and building, and general administrative services.

The Planning and Building Department is responsible for providing development information, conducting preliminary reviews of development proposals, and coordinating and processing permit applications. The approval process requires that the plans be reviewed by other departments as needed: Public Works/Engineering, Geology, and Fire. Each of these departments must either approve or recommend changes to the plans. If not approved, the applicant must change the plans and resubmit them. Construction cannot begin until all approvals are obtained. Some projects also require review by volunteer commissions, the Town's Architectural and Site Review Board and/or Planning Commission, in a public hearing.

Approximately 550 building permits are issued each year (527 in '04-05 and 573 in '03-04). Fees and permits account for 16% of all General Fund revenues, the Town's second largest source of funds after property taxes.

## Investigation

The San Mateo County Civil Grand Jury (Grand Jury) conducted numerous interviews with Woodside town staff associated with the development process; town council members; and various applicants, facilitators, and contractors who are involved with the Town's development process.

## Findings

### A. Persistent Problems

Woodside has been addressing applicants' concerns about the Town's building and planning process for many years. The recurring nature of these complaints has itself become an item of concern. The Town says that it wants to improve the situation and has taken some actions; however, the problem continues.

In 2001, the Town hired a consultant, Irwin Kaplan, to evaluate the Planning Department. The mayor reportedly described the final product as "a wonderful report." A major recommendation of the Kaplan report was for the Planning Director to focus on long-range planning issues, departmental management, and policies, rather than be involved in day-to-day oversight of permit processing. Few actions have been taken to implement the recommendations of the report.

In 2004, an accumulation of complaints and a backlog of permit applications caused the Town Manager to hire fresh eyes to evaluate the town's engineering program. After 12 months of study, the consulting firm, Management Partners, Inc., presented its report on July 26, 2005. The Town Council is monitoring staff response to the report. As of June 1, 2006, six of the 16 recommendations have been implemented; another nine are in process and targeted for completion in the next few months.

In response to concerns expressed by the Town Council, the Town Manager has recently conducted a series of interviews with residents who have issues with the permit process. The primary complaint discovered in these meetings is the arduous process of getting permits and variances. The number of iterations of review fosters the belief that the review cycle never ends. Applicants want some certainty about how long the process will take. These interviews, in large measure, confirmed the observations made by the two consultants mentioned earlier.

### B. Staff / Organization / Training

From the applicant's perspective, "town hall" is a single entity. In reality, however, the Town's development review process requires that an application be approved by a number of loosely coordinated departments. At least three departments are involved: the Engineering Department, the Planning and Building Department, and the Town Geologist. The directors of these departments report directly to the Town Manager, who currently is not a building professional. The Director of Engineering however, is also the Deputy Town Manager. This additional role creates a perception of authority

that gives his concerns more weight than those of the other two development review departments. There is no one building professional who has the responsibility to oversee the entire process.

The Director of Engineering, the Town Geologist, and the Director of Planning and Building become so consumed by the current crisis that they cannot anticipate the next one. They have enough time to attend only to the truly urgent, not the truly important. The Director of Planning and Building acknowledges having little time to do much planning.

The Town has not been able to hire experienced staff planners, especially those that staff the front counter of the Planning and Building Department and have the most contact with applicants. While training programs have improved the efficacy of the current planners, insufficiently trained staff members still make mistakes that the Planning Director must then resolve.

Members of the Town staff spend an unusual amount of time and effort responding to a large number of Freedom of Information Act (FOIA) requests. Responding to these requests interferes with their responsibilities to facilitate the development review process.

A number of senior staff will be retiring soon. The Town Manager has indicated that she plans to retire in about one year and the Town Engineer/Deputy Town Manager has announced his retirement, effective with the hiring of his replacement.

### **C. Residents' Perceptions of the Development Review Process**

Applicants' perceptions that the development review process results in random outcomes are widespread, though not unanimous. Town employees explain these perceptions as follows:

- Applicants are often startled by Woodside's strict regulatory environment and don't like government regulation in general.
- Many applicants are accustomed to being catered to and getting their way in life.
- Applicants' desires for equal treatment lead many to feel that, despite complex and differing details, if it is allowed for one party, then it should be allowed for others.
- The Town is unsympathetic to contractors and owners who fail to play by the rules.

The Grand Jury found that applicants' perceptions are sometimes justified because:

- Not all staff members are equally knowledgeable or share the same standards. As one experienced resident put it, "it's all in who you talk to."
- The permit process often takes years, which is both expensive and tiresome.

In the 1980's the Town rewrote the building code to preserve the Town's character. These rules made it very difficult to build. Nonetheless, almost everyone agrees that the rules aren't so bad. What concerns many residents, applicants, contractors, and other building professionals is how the rules are interpreted and enforced. Certain

situations are not clear-cut; they require interpretation and judgment, such as in the following conditions:

- Many undeveloped lots are difficult to build on, and finding ways to build on these lots within the existing code is subject to judgment.
- One controversial area that is left to Engineering Department interpretation is whether new construction is a rebuild of an existing structure or a new development. A rebuild allows the applicant to grandfather less restrictive standards and is generally preferred by applicants.
- Applicants often intentionally prepare their plans so their submittals will be interpreted in the least restrictive manner. When the staff feels plans are deceptive, they respond with extra caution.

Some applicants who perceive arbitrary outcomes are afraid to complain because they fear retribution. The Grand Jury considers that their fear is understandable because the same staff may remain on the job for a long time, and applicants may need additional permits in the future.

There is a feeling among many residents that one is better off proceeding without a permit and begging for forgiveness if caught. It is a calculated risk, but thought to be cheaper, faster, and hassle-free.

#### **D. Permit Process**

Some building projects are effortless. For instance, it is possible to quickly obtain permits to replace a roof, build a fence, or rebuild a window. Some activities don't require permits; however, most projects demand an arduous, long, and complex process.

Some applicants employ facilitators to help them through the planning process. Facilitators are in demand when the process is so burdensome that applicants need help. There are, however, unintended consequences to the actions of some facilitators. For instance, facilitators that challenge the process actually slow it down. Their challenges discourage flexibility by causing the staff to apply rules rigidly to all applicants.

The quality of submittals has much to do with the speed of issuing permits. Applicants' submissions vary widely in quality, both in completeness and understanding of the requirements. Many applicants, contractors, and architects find it difficult to deal with the bewildering number of regulations that can affect a design. Many applicants need substantial assistance to understand all the requirements.

## **Conclusions**

Woodside is a small rural town, with a small staff. The terrain is difficult to build on, projects are often very complex, and the rules are strict by design. People are unhappy with the development review process in many cities in the County, but in Woodside there

is a persistent clash of cultures. On one hand, some applicants do not always respect and often question intentions of the staff. On the other hand, the staff does not always produce a level of customer service that precludes applicants' questioning their motives.

Woodside's development review process tends to be a series of fragmented activities by each reviewing department. Everyone is looking at the trees; nobody is surveying the forest. Because the process is not well coordinated, submittals occasionally fall between the cracks and deadlines are missed. This causes the effectiveness and credibility of the process to suffer. Procedural changes, however, must balance the desire for a less daunting process with the need for good science and safety.

- All departments should help applicants understand building constraints and develop plans that meet them.
- One person should be accountable for the operation of the entire development review process. This individual should be a building and planning professional. The upcoming retirements of both the Town Manager and Town Engineer/Deputy Town Manager affords a unique opportunity to restructure the Town's staff.
- Departmental directors should train and then trust their respective staffs to handle problems with a minimum of backup. Training is essential for the staffs to routinely handle the difficult tasks found in Woodside.

Planning demands discretion, interpretation, and judgment. Unfortunately, the exercise of these principles often results in applicants developing perceptions of random outcomes or favoritism. The Grand Jury found that although the staff makes an effort to be consistent without compromising the Town's guidelines and ordinances or compromising safety, there are good reasons why these perceptions persist:

- Rules are applied inconsistently due to errors in judgment of relatively inexperienced people. Inconsistencies foster the perceptions of favoritism or capriciousness.
- Some applicants push the envelope, disregard the rules, or are purposefully deceptive. Such behavior naturally leads the staff to a more cautious, more deliberate process.
- Many applicants do not get what they want, and without knowledge of all the details surrounding other permits, feel that the code is applied inconsistently.

The Town frequently deals with facilitators who challenge the development review process. This produces unintended consequences. It creates an environment that minimizes flexibility by encouraging staff to dot every 'i' and cross every 't'. Common sense is replaced by bureaucratic process. Without give and take, the process becomes more detailed, more deliberate, and more costly.

The Town has commissioned studies of the permit process. The Town Council lauds the resulting reports, but sometimes the recommendations are not implemented. For instance, the recommendations of the Kaplan Report were respected, but there is no evidence that the Town has made a significant effort to implement them. The Grand Jury is gratified to find that the recommendations of the Management Partners, Inc. report are being implemented and monitored.

## Recommendations

To ensure that the Town's development review process is fair and as easy as is practical, the Woodside Town Council should:

1. Restructure Town management by placing one knowledgeable person in charge of the entire development permit process. Hold this person accountable for the successful operation of the development review process, including the development of long-range planning, staff training, and customer satisfaction.
2. Expand the number of building projects where permits are issued quickly and inexpensively by creating a FastTrack permit process. Projects that qualify for FastTrack permits must be carefully defined to: free staff to address more complex projects, minimize the number of residents who build without permits, and provide adequate safety and respect for community standards. The staff should be trained to implement the expanded process and be empowered to handle cross-functional issues and approve qualifying plans on behalf of all departments.
3. Create a complaint board where disgruntled applicants can have their concerns addressed.
4. Ensure that the Director of Planning and Building, Director of Engineering, and Town Geologist develop appropriate procedures and materials to continually improve the development review process.
5. Implement a continuing training program to ensure that all Planning and Building Department employees and development review engineers are well qualified to help applicants understand relevant constraints and develop plans that meet them.
6. Ensure that communication between development staff and applicants starts early and expedites the permit process. Each applicant should receive a planning packet that contains, at a minimum:
  - A description of the building review process and relevant town ordinances
  - A description of geologic, seismic, and geotechnical hazards in the Town
  - A description of the technical peer review process
  - Recommendations for selecting technical consultants
  - A description of necessary elements for required reports
7. Update the Town's database of building codes, maps, and pamphlets. An updated geologic map should be prepared, the Town hazards map completed, and the municipal code revised to correct discrepancies between the old and new maps. The municipal code should be revised to incorporate current state regulations, clarify existing language, include the new hazards map, and add other changes as necessary.



July 26, 2006

The Honorable Stephen M. Hall  
Judge of the Superior Court  
Hall of Justice  
400 County Center, 2<sup>nd</sup> Floor  
Redwood City, CA 94063-1655

**RE: 2005-06 GRAND JURY REPORT – TROUBLE IN PARADISE: THE WOODSIDE  
DEVELOPMENT REVIEW PROCESS**

Dear Judge Hall:

The Town of Woodside received a copy of the above captioned Grand Jury Report on July 18, 2006, and the staff has studied the report and recommendations contained therein. On behalf of the Town Council, I would like to offer several comments and responses.

First, the Town Council greatly appreciates the efforts of the Grand Jury and the care it took to provide a balanced and well formulated set of recommendations. The many months that the members of the Grand Jury spent on its investigation and on checking and rechecking its facts and conclusions prior to the issuance of the report clearly demonstrate the dedication of the citizen volunteers who take on the responsibility of serving on the Grand Jury.

Second, the Town Council is in substantial agreement with the seven recommendations of the Grand Jury that are included in the report. Many of these recommendations are already in the Town's work plan for 2006-07. Several of the recommendations provide expansions of or enhancements to the work plan. We appreciate the thoughtfulness of the recommendations and the Grand Jury's efforts to develop recommendations that compliment and enhance the recommendations of the Town's Management Partners' 2005 report.

On behalf of the Town Council, I would like to extend our thanks for an opportunity to respond to the work of the 2005-06 Grand Jury. Please do not hesitate to call our Town Manager, Susan George, should you require any further information.

Sincerely,

Deborah Gordon  
Mayor  
Town of Woodside