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Item 12.

Streamline Sacramento - An Update on the City's Development Process Improvements Program

File ID: 2025-00714

Location: Citywide

Recommendation: Review, discuss and provide direction to staff on Streamline Sacramento - the City's Development Process Improvements Program.

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Attachments:

- 1-Description/Analysis
- 2-Streamline Sacramento 1-Page Overview
- 3-Streamline Sacramento Potential Actions Table

Description/Analysis

Issue Detail: Streamline Sacramento is a 2025 initiative spearheaded by Mayor McCarty and Councilmember Pluckebaum to identify improvements to the City's development approval process with the overarching goal of increasing the supply and decreasing the cost of housing. Streamline Sacramento (Attachment 2) is a customer-driven, cross-departmental effort focusing on all aspects of the building permit process from submittal of building permit applications, to plan review, inspections, issuance of building permit and certificate of occupancy. The Potential Actions Table (Attachment 3) reflects the input received to date from the development community. These actions focus on ways to improve consistency, timeliness and to make the development experience as efficient and certain as possible.

City staff will provide an update on Streamline Sacramento, highlight notable development process improvement actions that are underway, and receive input from Council.

Policy Considerations: Streamline Sacramento aligns with the Mayor's and City Council's priority to streamline development and increase housing opportunities. Streamline Sacramento furthers the Council-adopted 8-year housing strategy (2021-2029 Housing Element) policy:

H-1.3 Reduce Time and Expense of Building Permit Process. The City shall continually strive to streamline and simplify the building permit process using best practices from other cities to improve aspects of the process, including coordination with departments, consistency, and timeliness, to make the development experience as efficient and certain as possible.

Economic Impacts: Construction of housing and other development is vital for the local economy by creating construction and professional sector jobs and adding to the local tax base.

Environmental Considerations: This informational update is an administrative activity and is not a project under the California Environmental Quality Act (CEQA), per Guidelines Section 15378(b)(5).

Sustainability: A sustainable community includes housing for current and future households of all income levels.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Although around 3,000 new housing units are constructed each year, additional housing needs to be built to meet the demand. The City of Sacramento has a Regional Housing Needs Allocation (RHNA) target from the State to construct approximately 5,700 new housing units each year. Streamline Sacramento is a cross-departmental effort to identify and implement internal processes that speed up approval times and reduce the cost of housing construction.

Financial Considerations: None.

Local Business Enterprise (LBE): Not applicable.



WHAT?

- The City of Sacramento's development process improvements program, Streamline Sacramento, is a citywide effort that is closely examining the procedures for reviewing and approving housing projects.
- Aims to speed-up the approval and construction process with the goal of increasing the amount of housing while bringing down the cost of construction.
- Streamline Sacramento focuses on all aspects of the building permit process from submittal of building permit applications, to plan review, inspections, issuance of building permit and certificate of occupancy.

WHEN?

- Streamline Sacramento is anticipated to conclude by the end of 2025.

WHY?

- Although around 3,000 new housing units are constructed each year, additional housing needs to be built to meet the demand.
- Construction of housing and other development is also vital for the local economy by creating construction and professional sector jobs and adding to the local tax base.
- As the State of California's first Prohousing Designated jurisdiction, the City of Sacramento is committed to identifying ways to improve consistency, timeliness and to make the development experience as efficient and certain as possible.
- Streamline Sacramento furthers City Council adopted housing strategy's (2021-2029 Housing Element) Policy H-1.3 (Reduce Time and Expense of Building Permit Process).

HOW?

- Meetings are being held with the development community and the City is actively seeking input to make modifications to the development process based on their experience of building housing in Sacramento.
- City staff are reviewing best practices from other jurisdictions, evaluating new technologies, and working together to identify process improvements that will deliver housing projects faster and at a lower cost.
- Certain process improvements will be in a short time frame such as revising procedures or procuring new technology, and some may take longer such as changes to City Code.

STAFF CONTACT?

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Streamline Sacramento – The City’s Development Process Improvements Program

Potential Actions Table (March 2025)

City of Sacramento

Overview: Streamline Sacramento is a 2025 initiative spearheaded by Mayor McCarty and Councilmember Pluckebaum to identify improvements to the City’s development approval process with the overarching goal of increasing the supply and decreasing the cost of housing. Streamline Sacramento is a customer-driven, cross-departmental effort (Community Development (CDD), Public Works (PW), Utilities (DOU), Fire, and Finance) focusing on all aspects of the building permit process from submittal of building permit applications, to plan review, inspections, issuance of building permit and certificate of occupancy. This Potential Actions Table reflects the input received to date from the development community. These actions focus on ways to improve consistency, timeliness and to make the development experience as efficient and certain as possible.

This table is intended to be a working document that will be updated regularly to prioritize actions, identify leads, and track progress.

Status Legend: Exploring; Implementing; Instituted; Ongoing.

Process & Potential Action	Lead	Status	Potential Action Summary
Customer Service			
Small Business Liaison	CDD/Building	Ongoing	In Fall 2024, established building permit liaison for new restaurants and Downtown Partnership’s Calling All Dreamers Program. May expand program in future. Development Projects with a valuation of \$1 million or more are already assigned a Development Project Manager.
Minor Alterations & Improvements Processes	CDD/Building	Ongoing	Review the City’s current Electronic Over-the-Counter (E-OTC), Facility Permit Program (FPP) and online minor permit programs for opportunities to improve or expand services.
Customer Service Satisfaction Surveys	CDD/Building	Ongoing	Continue to administer and incorporate feedback from Building Division Customer Satisfaction Surveys for counter services, inspections, plan review and project management.
Staff Contact Information & Responsiveness	All Development-Related Departments	Instituted (March 2025)	Staff communicating with the development community should have phone and email address in signature block of each email and be available by phone. Additionally, all correction notices list the phone and email address of the plan reviewer in the letterhead.
Application Forms	CDD/Building	Ongoing & Exploring	Consolidate and simplify applications and forms and remove duplicative fields. The Building Division constantly updates and revises forms strategically so as not to disrupt normal business operations. In conjunction with Streamline Sacramento efforts and the upcoming triennial code update to the 2025 California Building Standards Codes, the Building Division will aim to consolidate and make it easier for customers to identify the appropriate forms/applications.

Process & Potential Action	Lead	Status	Potential Action Summary
Information Bulletins & Reference Materials	CDD/Building	Implementing & Ongoing	Consider instituting Information Bulletins that are published on the City's webpage to update the development community on the latest building codes, construction practices, safety standards and regulatory changes. As an example, see City of San Diego's webpage and sample bulletin . Consider creating step-by-step flow charts of the building permit process for housing projects. The City currently has informational guides and forms that are updated every triennial code cycle. The Building Division will reformat and reorganize these documents to make them easier to locate.
300 Richards Blvd. Public Counter Operation	Multiple Departments	Exploring	Current public counter hours of operation: Tues-Thurs, 9am-3:30pm; cashier services also available by appointment Mondays and Fridays. A review of customer trends and appointment utilization indicated that only 8% of customers use the public counter and appointments are readily available. Potential changes include allowing additional walk-in customers without appointments and notifying customers of this option.
Increased Coordination and Communication between City Departments and Agencies (e.g., utility providers, sanitation district)	CDD/Building & Multiple Departments	Exploring	Explore options for the Building Division's Project Management Section to facilitate enhanced coordination and communication processes throughout lifecycle of development process between departments and agencies.
Fill & Retain Development Related Vacant Positions	Multiple Departments	Ongoing	Identify barriers and develop solutions for development related vacancies. As an example, CDD's Building Division has a vacancy rate of 23% and Public Works' Engineering Services Division has a 29% vacancy rate.
Plan Review for Building Permit			
Avoidance of Plan Review Comments After Cycle 1	CDD/Building	Instituted (January 2025)	Where feasible and not life safety issues, strive to avoid additional plan review comments that were not made during Cycle 1 (unless project is revised between cycles).
In-Field Revisions & Corrections	CDD/Building	Instituted (January 2025)	Allow in-field revisions or corrections in certain circumstances instead of requiring a full plan revision.
Request for Information (RFI) Process	CDD/Building	Instituted (January 2025)	Revisited RFI procedures and instituted the ability to proceed with inspections for minor RFI clarifications.
Proactively Monitor Project Applications & Implement Triage Plans	CDD/Building	Implementing	Run monthly report of development projects in cycle wait (not active in plan review). Work with applicants to resolve challenges for projects that appear stalled. Plan Review staff currently offers meetings (by email and phone) after cycle 2 review to help resolve outstanding correction items in an effort to avoid additional cycles of review.

Process & Potential Action	Lead	Status	Potential Action Summary
Meet or Exceed Plan Review Timelines	CDD, PW (Development Engineering, Transportation & Urban Forestry) Fire, DOU	Ongoing & Exploring	<p>Cycle Times for Plan Review have been established based on valuation and cycle #. Plan review staff is on-time or early 98.6% of the time. The department's target is 90%.</p> <ul style="list-style-type: none"> – Consider creating guidance documents for consistency & training of plan review staff. – Consider training staff as back-up reviewers or establishing on-call plan reviewers list for all disciplines to address capacity/vacancies/absences.
Implement Cycle Review Times for Lot Mergers/Adjustments and Parcel Maps	PW/ Development Engineering	Exploring	Explore overhauling and modernizing the PW, Development Engineering module and workflows in the City's development software management system (Accela) and PW customer portal, for the ability to create workflows, automated due dates, automatic email applications status emails, etc., for lot merger/adjustments, parcel maps, final maps, substantial conformance review, easements, etc. To accomplish this potential action, it is anticipated that two new FTE positions will be required.
Best Practices & Procedures for Plan Review & Reducing Number of Plan Review Cycles	CDD/Building	Exploring	Identify the most common reasons for additional Plan Review Cycles for multi-unit dwelling projects. Establish customer education strategies and new procedures, as necessary. See also "Information Bulletins & Reference Materials." The Building Division currently offers free presubmittal meetings to answer project specific questions. Potentially consider enhancements. As an example, the City of San Diego has a Preliminary Review — a flat fee-based service offered before formal submittal, which assists in determining project feasibility by obtaining responses to project-specific questions and documenting staff responses.
AI-Powered Automation for Building Code Compliance in Electronic Plan Submission	CDD/Building	Exploring	Explore AI tools such as www.archistar.ai/ to potentially reduce plan review cycles and ensure applicants submit complete application packages.
Self-Certification Program	CDD/Building	Exploring	Explore implementing a self-certification program which allows registered professionals to bypass the plan review process by taking responsibility for and certifying a project's compliance with building code, standards and ordinances. The City currently allows self-certification of contractors for minor permits (e.g. hot water heaters, HVAC).
Financing			
Deferral and Reduction of Development Impact Fees	CDD/Building	Ongoing & Exploring	<p>Citywide Impact Fee Reform adopted by Council in 2017 standardized impact fees, reduced certain impact fees (Transportation and Parks) and established the Fee Deferral Program. Fee Deferral Program allows developers to wait to pay impact fees until final inspections from the Building Division. Established in 2018, a \$0 rate is applied to affordable dwelling units for City-controlled impact fees.</p> <p>Explore options such as info sheets and early notifications to customers about available programs for deferring or reducing fees.</p>

Process & Potential Action	Lead	Status	Potential Action Summary
Community Facilities District (CFD)	Infrastructure Finance/PW/DOU	Exploring	Consider revisions to CFD reimbursement/public bidding process/funding agreement language to be able to start bidding process before plans are signed. Developers have noted that the current public bidding process can delay ability to order materials. Materials can take 12-16 weeks. Can obtain signed/final plans but can't break ground for another 4-6 months.
Flat Fees for PW, Offsite Plans	PW	Exploring	Soliciting feedback from developers about going to a flat fee which would allow developers to better plan project finances versus the current cost recovery system. As an interim step, staff are considering modifications to the current deposit amount for FY25/26 Fee & Charge Report that would go into effect July 1, 2025.
Bond Opportunities for Land Development (BOLD) Program	Infrastructure Finance	Implementing	Request authorization from City Council to participate in the BOLD Program offered by the California Municipal Finance Authority (CMFA) which can be used to finance public infrastructure required for new development within the City. This would allow greater flexibility for the development community in the City and lessen the administrative burden on City staff.
Building & Offsite Inspections			
Virtual Inspections	CDD/Building	Implementing	Entering into contract for virtual inspection software for remote inspections.
Onsite & Offsite Inspections	CDD/Building/DOU/PW	Implementing	CDD, PW, and DOU will consolidate the same mapping/improvement process for private street small lot Single-Family Housing (SFH) subdivision vs. standard public street SFH subdivision. This will simplify the process for developers who work on infill lot developments and is supporting the Missing Middle Housing (MMH) Interim Ordinance.
Building Inspection Process Efficiencies	CDD/Building	Instituted (March 2025) & Exploring	Consider procedures for increasing inspection efficiency such as: 1) (Instituted) conducting entire inspection in one visit, if feasible, instead of multiple 15-minute visits. Especially important for final inspections for multi-unit housing projects; 2) (Instituted & Exploring) Inspectors currently call 30 minutes of arrival. Evaluate whether inspection schedule blocks (e.g., 4 schedule window) would be beneficial and feasible; 3) (Exploring) Consider instituting procedure for when inspector arrives, conduct inspection for items that are ready, instead of delaying in order to perform multiple inspections together. 4) (Instituted) Consider using third-party inspectors, as needed, to keep projects on track.
Inspections & Approved Building Plans	CDD/Building	Exploring	Review process for ensuring project in the field matches plans approved during plan review process.
Issuance of Inspection Results	CDD/Building	Exploring	Consider policy for building inspectors to upload inspection results to both the portal and through email to contractor and developer.
Building Inspection Certificate Trainings & California Building Standards Code, Consistent Interpretation	CDD/Building	Exploring	Explore contracting out the International Code Council certificate training programs and exam preparation (e.g., plumbing, electrical) instead of conducting them in-house to expedite completion of trainings and exams and free-up more senior staff to be in the field.
Building Permit Issuance			
Safe to Stock	CDD/Building	Implementing	Safe to Stock (for furniture/equipment installation & staff training) procedures being developed.

Process & Potential Action	Lead	Status	Potential Action Summary
Instant Building Permit Issuance	CDD/Building	Exploring	Consider updating the Building Division's minor permit process and develop a building permit check box form that an applicant self-certifies and instantly receives building permit for minor permits (e.g., hot water heater and residential PV solar with SolarAPP+). Compliance with code is verified through virtual or in-person inspection.
Demolition/Wrecking Permit	CDD/Building & Multiple Departments	Exploring	Building Division's Project Management Section exploring expediting demolition/wrecking application approvals required by multiple departments by instituting an automated electronic signature process.