



PLEASE SILENCE ALL ELECTRONIC COMMUNICATION DEVICES. THANK YOU.

NOTICE OF POSSIBLE QUORUM OF THE CITY OF BUCKEYE PLANNING AND ZONING COMMISSION OR OTHER COUNCIL APPOINTED BOARD: PLEASE NOTE THAT THERE MAY BE A QUORUM PRESENT BUT THERE WILL BE NO VOTING TAKING PLACE BY THE CITY PLANNING AND ZONING COMMISSION OR OTHER COUNCIL APPOINTED BOARD AT THIS MEETING.

**CITY OF BUCKEYE
COUNCIL WORKSHOP
DECEMBER 21, 2021
AGENDA**

**City Council Chambers
530 East Monroe Avenue
Buckeye, AZ 85326
4:30 PM**

Accessibility for all persons with disabilities will be provided upon request. Please telephone your accommodation request (623) 349-6911, 72 hours in advance if you need a sign language interpreter or alternate materials for a visual or hearing impairment.

Voting Members will either attend in person or by telephone conference call or video presentation. Items listed may be considered in any order

IMPORTANT NOTICE REGARDING PUBLIC PARTICIPATION

This meeting will be open to the public. Adherence to COVID-19 safety measures are recommended. If you would like to make a public comment, either in person or remotely, please review the information on the City's website and complete and submit the comment form found here:

<https://www.buckeyeaz.gov/government/city-clerk/meeting-agendas-minutes/meetings-agendas-minutes>

1. Call to Order/Roll Call

2. Workshop Items

2.A Presentation and discussion regarding development trends and process improvements.

(Approximate time: 1 hour)

Summary: Staff will provide an overview of development trends in residential and commercial/industrial, a perspective and projection of projects in the review and development pipeline, and will provide an update on both internal and consultant led process improvements. Staff Liaison: Brian Craig, Development Services Director, brcraig@buckeyeaz.gov, (623) 349-6209

3. Adjournment.

**CITY OF BUCKEYE
Council Workshop Agenda
COUNCIL ACTION REPORT**

MEETING DATE: 12/21/21	AGENDA ITEM: 2.A. Presentation and Discussion Regarding Development Trends and Process Improvements
DATE PREPARED: 12/21/21	DISTRICT NO.: All
STAFF LIAISON: Brian Craig, Development Services Director, bcraig@buckeyeaz.gov, (623) 349-6209	
DEPARTMENT: Development Services	AGENDA ITEM TYPE: Staff Reports / Discussion and Possible Direction from Council

TIME NEEDED: 60 minutes

ACTION/MOTION: (This language identifies the formal motion to be made by the Council) Presentation and discussion regarding development trends and process improvements. (Approximate time: 1 hour)

RELEVANT GOALS:

GOAL 5: Responsive and Accountable Government and Effective Public Services

SUMMARY

PROJECT DESCRIPTION:

Staff will provide an overview of development trends in residential and commercial/industrial, a perspective and projection of projects in the review and development pipeline, and will provide an update on both internal and consultant led process improvements.

Items related to a project or facility location must include an attached vicinity map for Council Review.

ATTACHMENTS:

[Dev outlook and process 12_21_21.pptx](#)



Development Trends and Process Improvements

Workshop
City Council
December 21, 2021

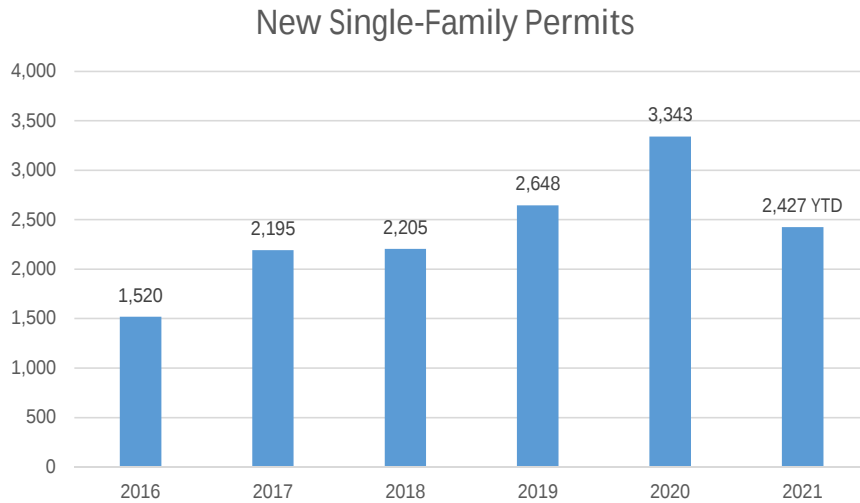
Presentation Overview

- Residential development activity and outlook
- Commercial/employment development activity and outlook
- Development revenue trends
- Development process update
 - Internal
 - External via Curtis Process Consulting
- Summary

Residential Development



Residential Permit Activity



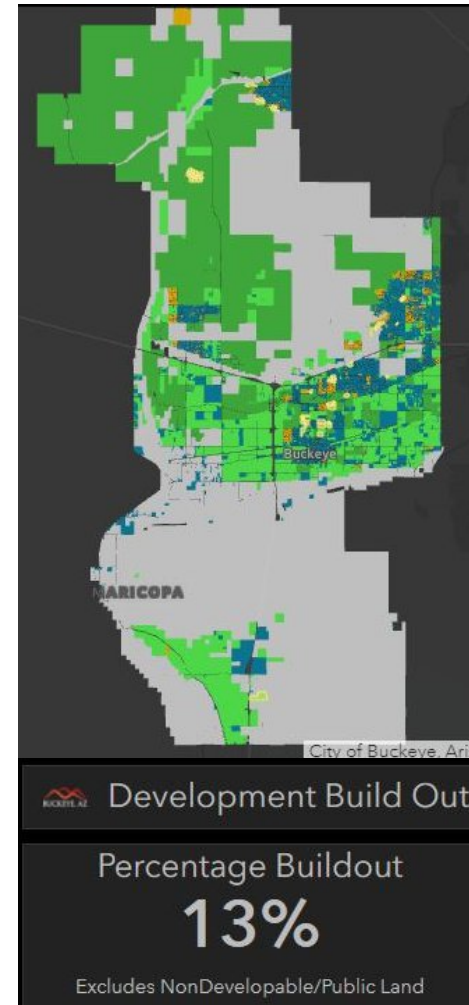
Multi-family

- Seven projects totaling 1,674 units in review
- 12 additional projects for +2,300 more units proposed

Residential Projections

Vacant Platted Lots	8,841
Lots in Final Plat Review	5,069
Final Platted Lots	13,910

- 104,752 lots in Douglas Ranch
- 6,596 lots planned in Trillium
 - 2 approved preliminary plats that total 1,252 Lots
 - 13 final plats in process that total 1,058 Lots



Verrado Area- Final Plats

Platted Vacant Residential Lots

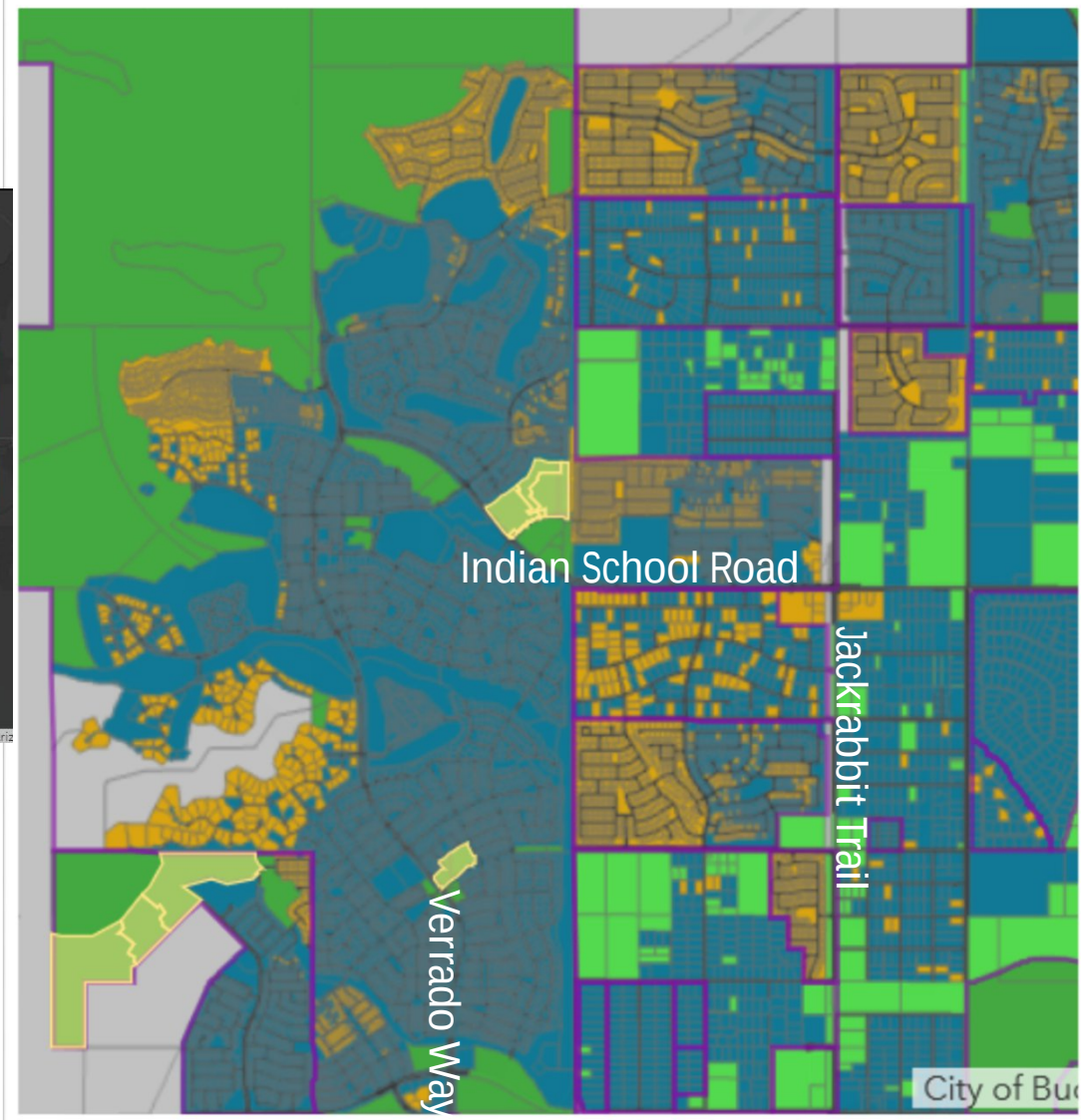
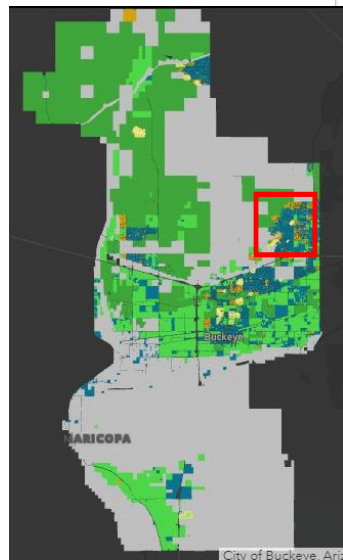
3,389
In Buckeye

1,273
in Maricopa County

Future Residential Lots

562

From Final Plats in Review



South of I-10- Final Plats

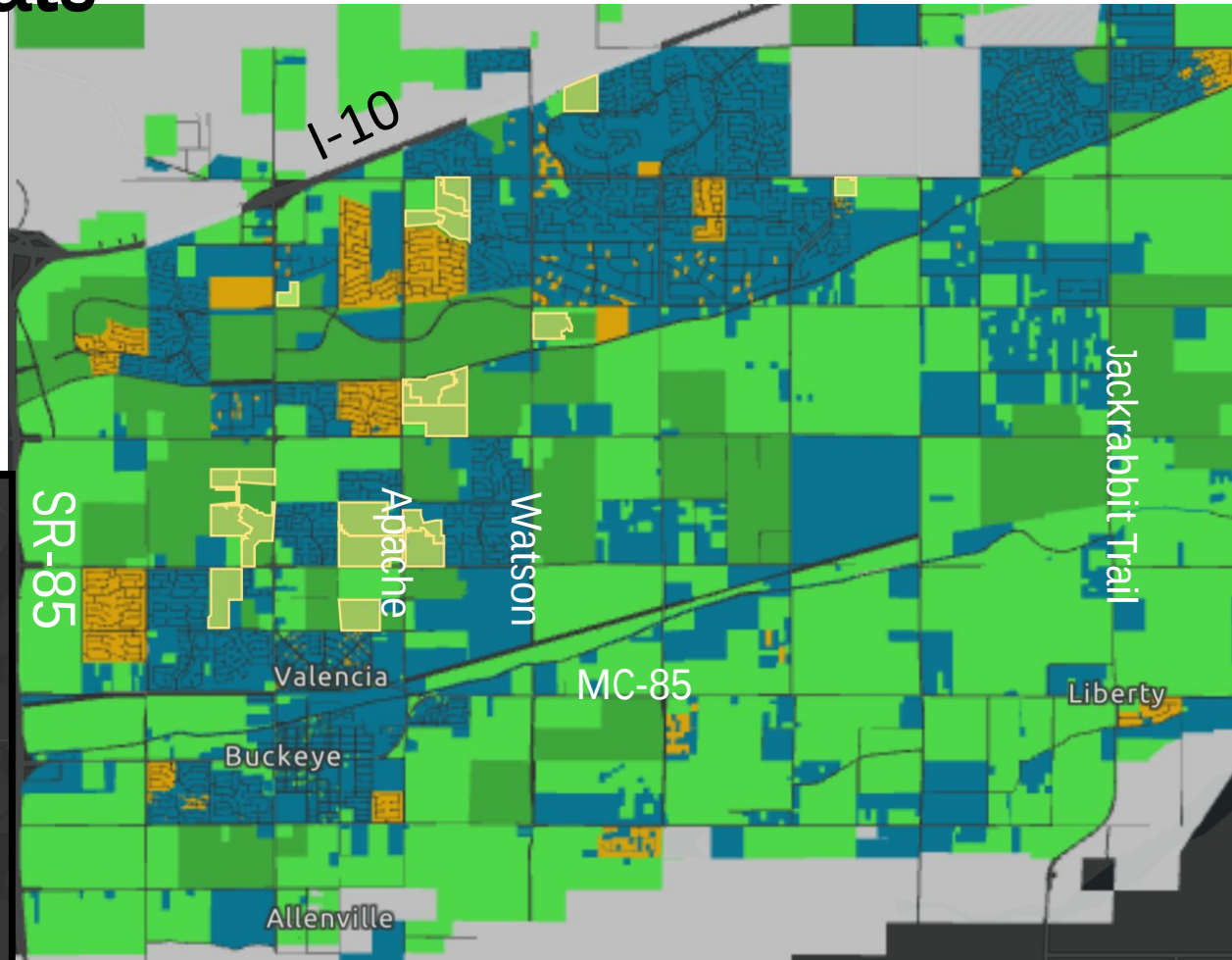
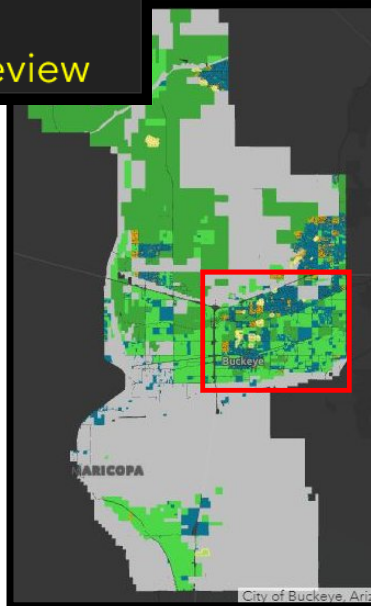
Platted Vacant Residential Lots

4,042
In Buckeye

95
in Maricopa County

Future Residential Lots

2,868
From Final Plats in Review




BUCKEYE, AZ

North Buckeye- Final Plats

Platted Vacant Residential Lots

869

In Buckeye

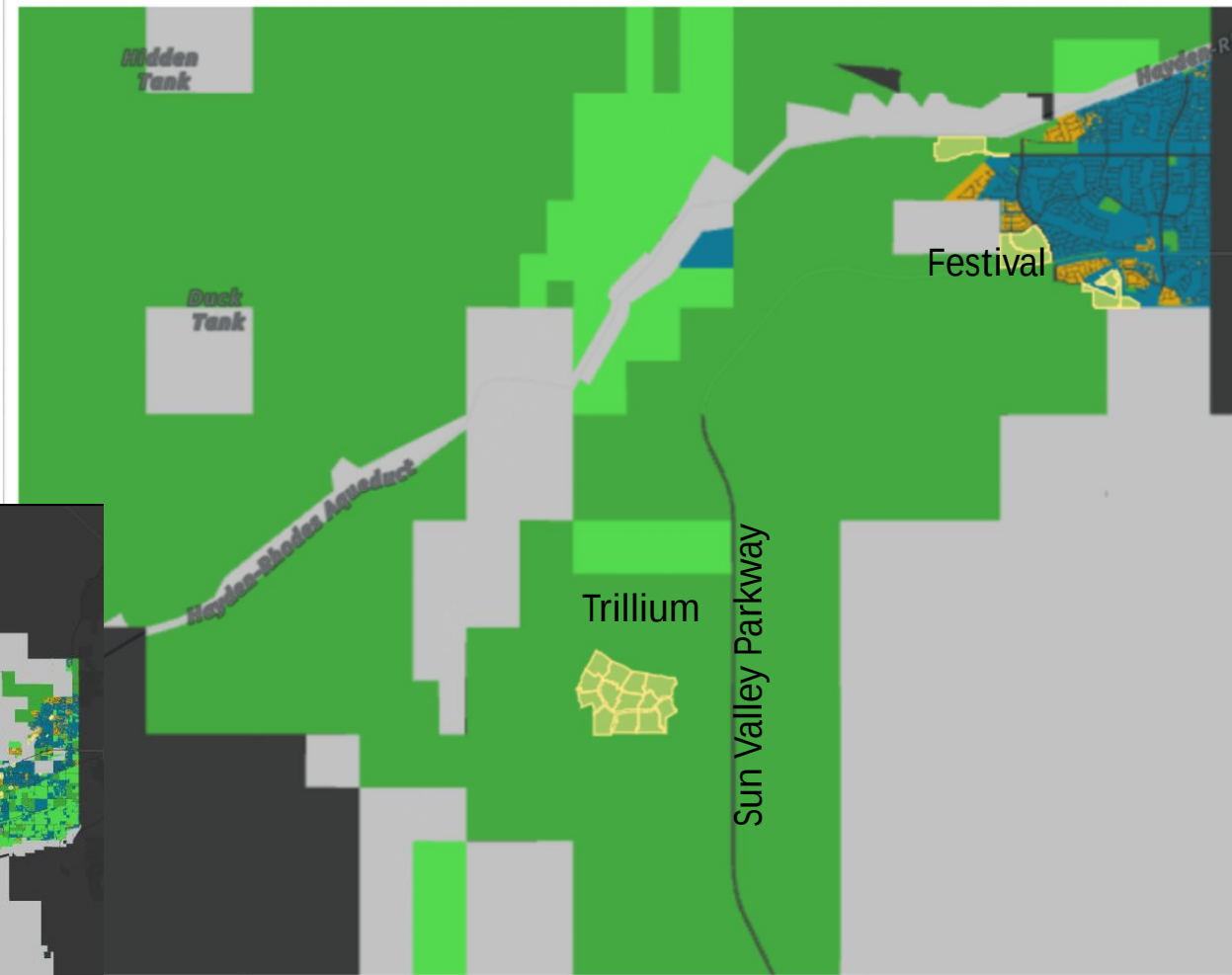
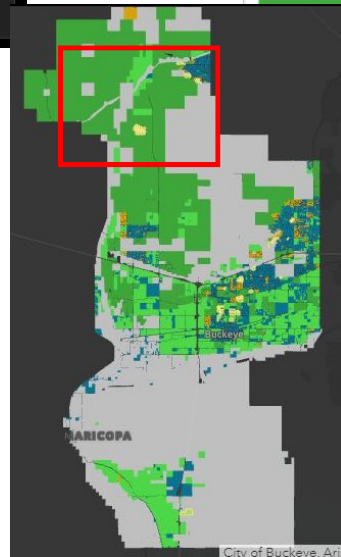
6

in Maricopa County

Future Residential Lots

1,638

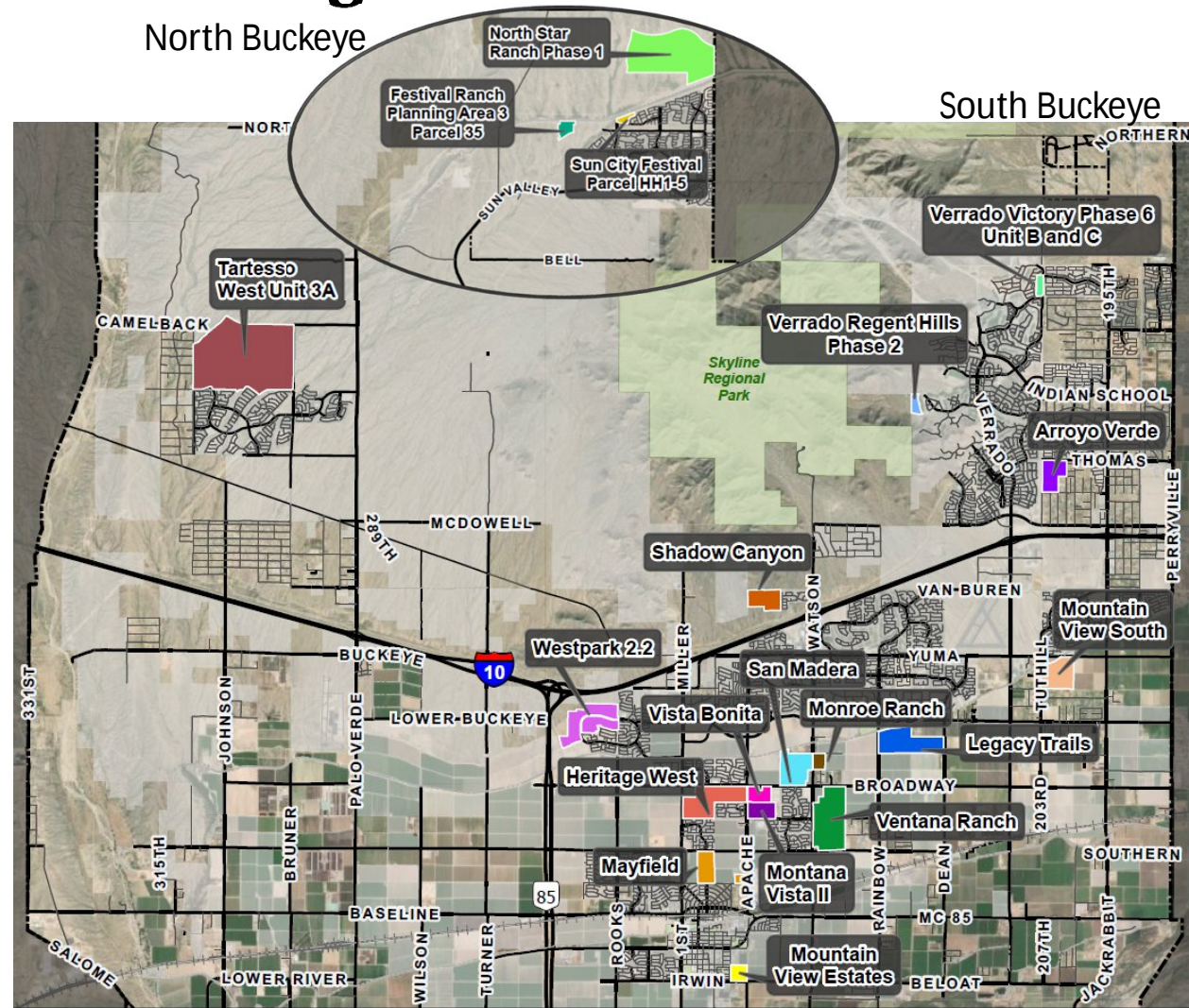
From Final Plats in Review



BUCKEYE, AZ

Residential Projection- Pending Pre-Plats

Project Name	Lots
Arroyo Verde	400
Festival Ranch Planning Area 3 Parcel 35	192
Heritage West	808
Legacy Trails	610
Mayfield	359
Monroe Ranch	134
Montana Vista II	276
Mountain View Estates	161
Mountain View South	537
North Star Ranch Phase 1	2185
San Madera	591
Shadow Canyon	280
Sun City Festival Parcel HH1-5	68
Tartesso West Unit 3A	3163
Ventana Ranch	999
Verrado Regent Hills Phase 2	53
Verrado Victory Phase 6 Unit B and C	145
Vista Bonita	275
Westpark 2.2 PrePlat	829
Total:	12,065



Residential Summary

- Recent dip in new SFR permits not attributed to less demand
- Anticipating ~2600 SFRs to close out 2021, on par with 2019
- Significant increase in multi-family prospects and applications
- Over 5,000 lots in Final Plat review & over 12,000 lots following close behind in Preliminary Plat pipeline
- Plats are geographically spread across City, more than just the large MPCs
- Record year for planning entitlement applications

Commercial Development



Commercial Development Activity

We continue to see an increase in square feet of commercial development, both retail/services and employment projects

Retail/Services	1,589,343 sf*
Employment	9,512,000 sf*
Grand Total	11,101,343 sf*

**2021 calendar year: City projections which include existing development activity and pipeline projections*

Retail & Services Trends & Projections

New opportunities for services for residents

- New retail centers building or seeing interest across the city
 - *Jackrabbit Trail & Indian School Road*
 - *Verrado Way & I-10*
 - *Miller Road Corridor*
 - *Sun Valley Parkway*
- Healthcare Developments
- Hospitality
 - *2 Marriott hotels at Verrado Way & I-10*

Employment Trends & Projections

- Key Industry Sectors:
 - Advanced Manufacturing
 - Distribution & Logistics
 - Energy
- Continue to see significant interest in Buckeye, which will require more staff attention
- Future trends include strong interest in the SR 85 Corridor

District	Sq Ft
I-10 & Perryville	1,733,000
I-10 & Verrado	891,000
I-10 & Miller	592,000
SR 85 Corridor	2,784,000
RR Corridor	2,920,000
TOTAL	9,512,000

**6.37M in speculative development*

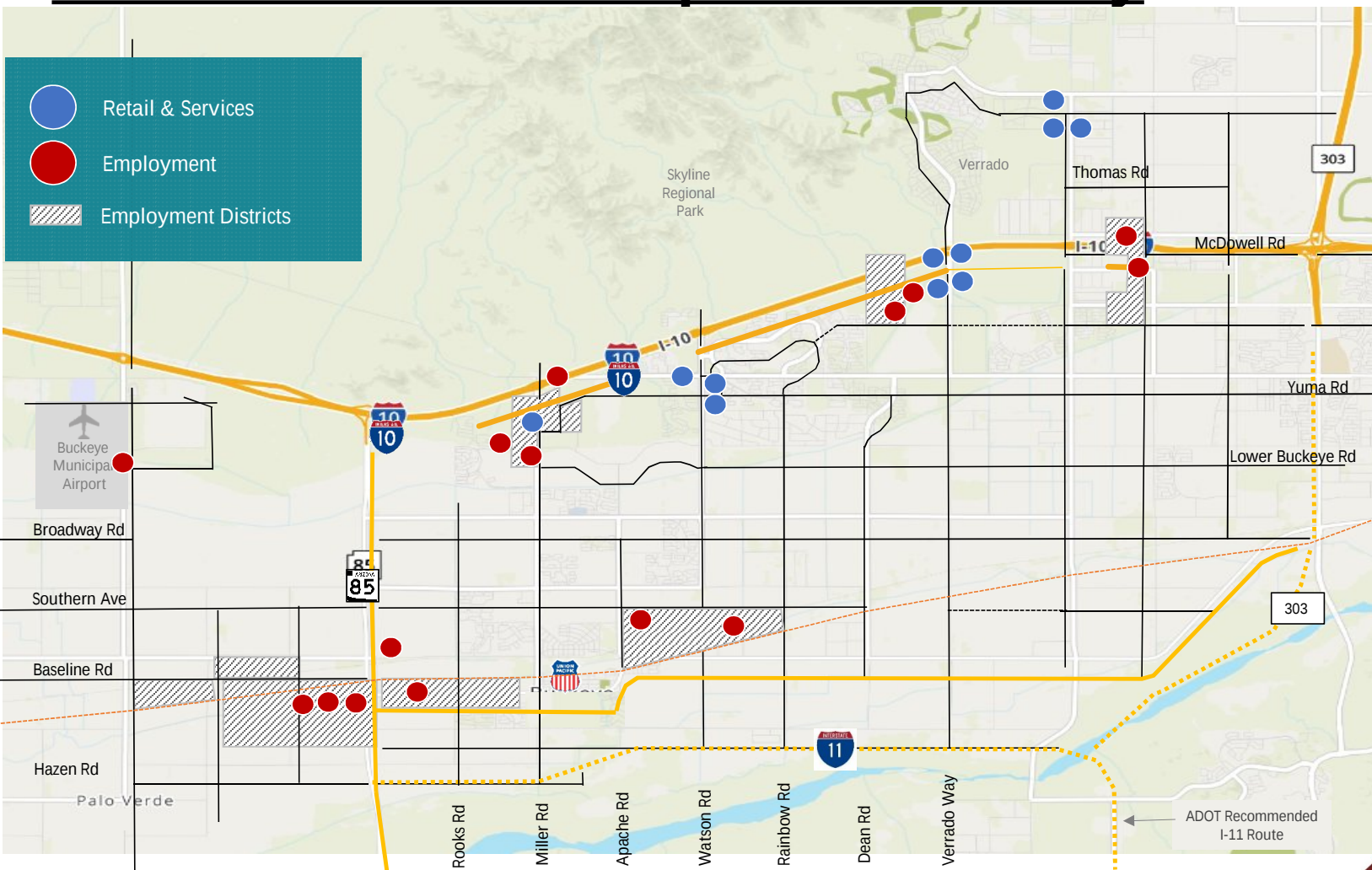


Employment Activity Level

We have seen a significant increase in number of projects and job creation and project to see the trend continue

<u>Year</u>	<u>Total Prospects</u>	<u>Number Locates</u>	<u>Number Jobs</u>
2018	47	4	260
2019	61	5	600
2020	80	4	850
2021* projected	120	8+	5,900

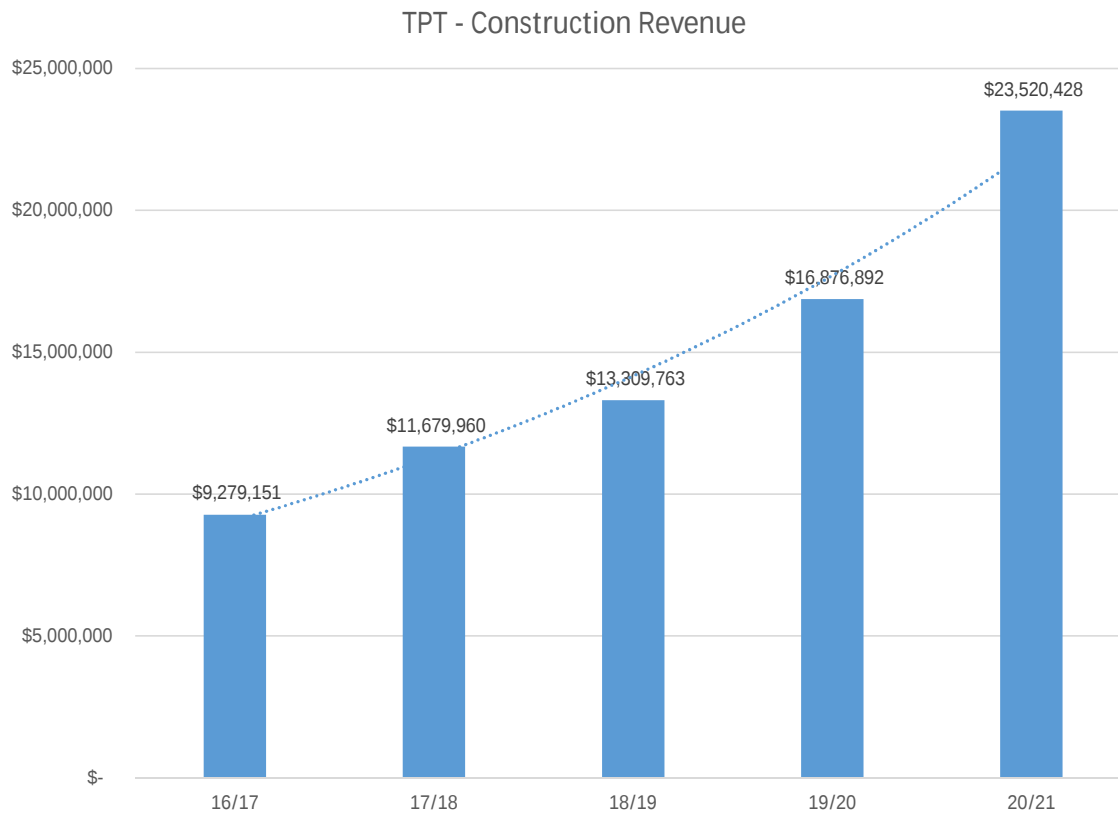
Commercial Development Activity



Development Revenues



Revenue Trends: TPT – Construction

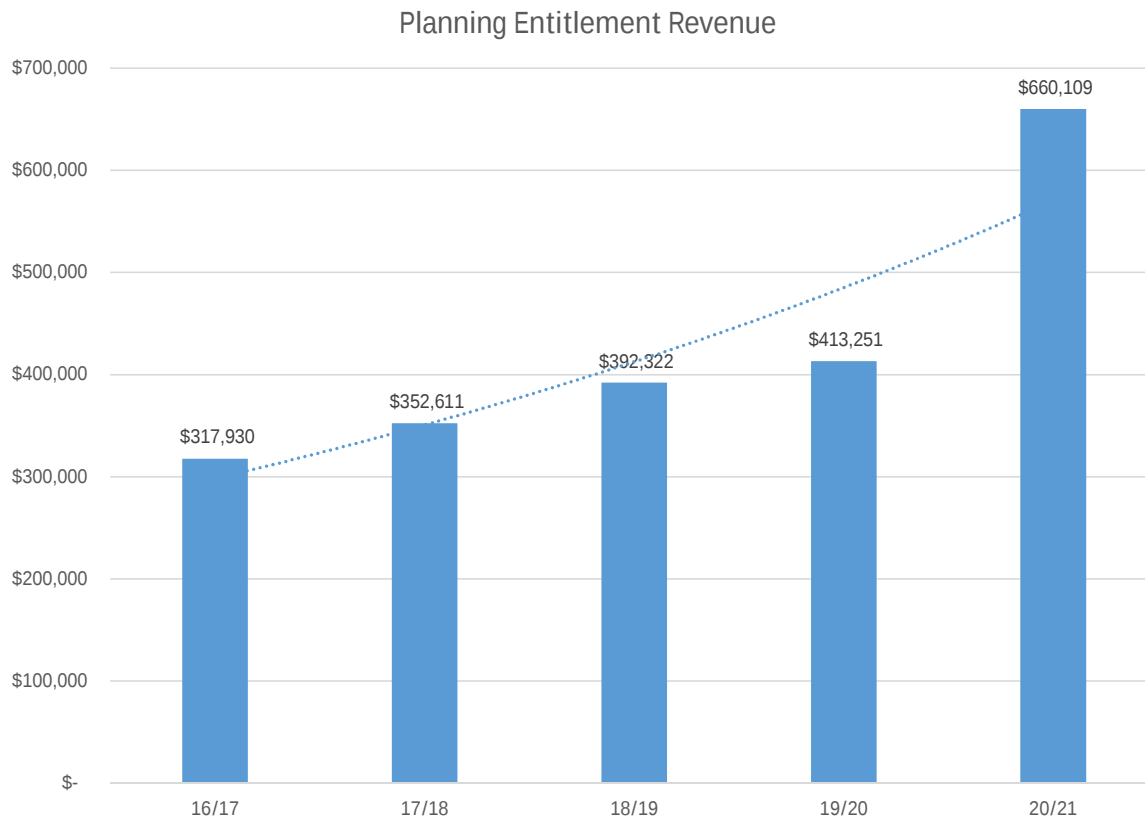


FY	TPT - Const.	Planning	Building	Total
16/17	\$ 9,279,151	\$ 317,930	\$ 9,321,007	\$ 18,918,088
17/18	\$ 11,679,960	\$ 352,611	\$ 10,228,217	\$ 22,260,788
18/19	\$ 13,309,763	\$ 392,322	\$ 12,719,788	\$ 26,421,873
19/20	\$ 16,876,892	\$ 413,251	\$ 13,557,177	\$ 30,847,320
20/21	\$ 23,520,428	\$ 660,109	\$ 20,414,655	\$ 44,595,192

153% 
Over 5-years


BUCKEYE, AZ

Revenue Trends: Planning Entitlements

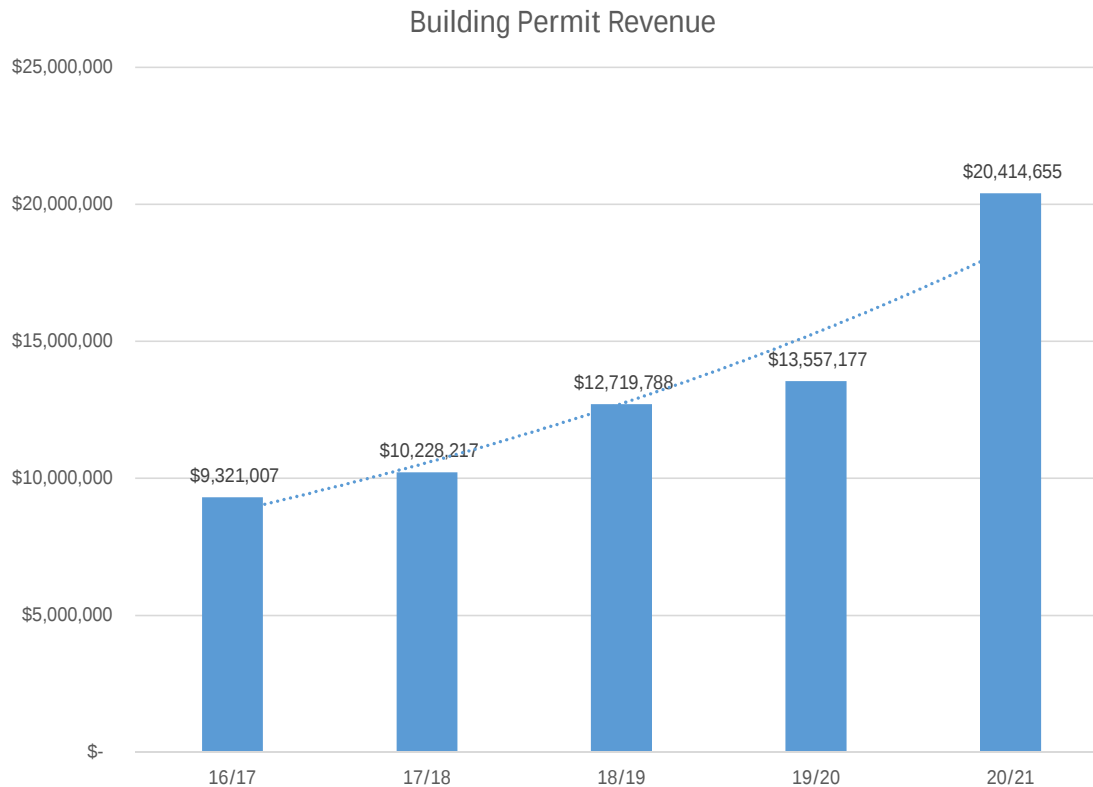


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20/21	\$ 23,520,428	\$ 660,109	\$ 20,414,655	\$ 44,595,192

108% 
Over 5-years


BUCKEYE, AZ

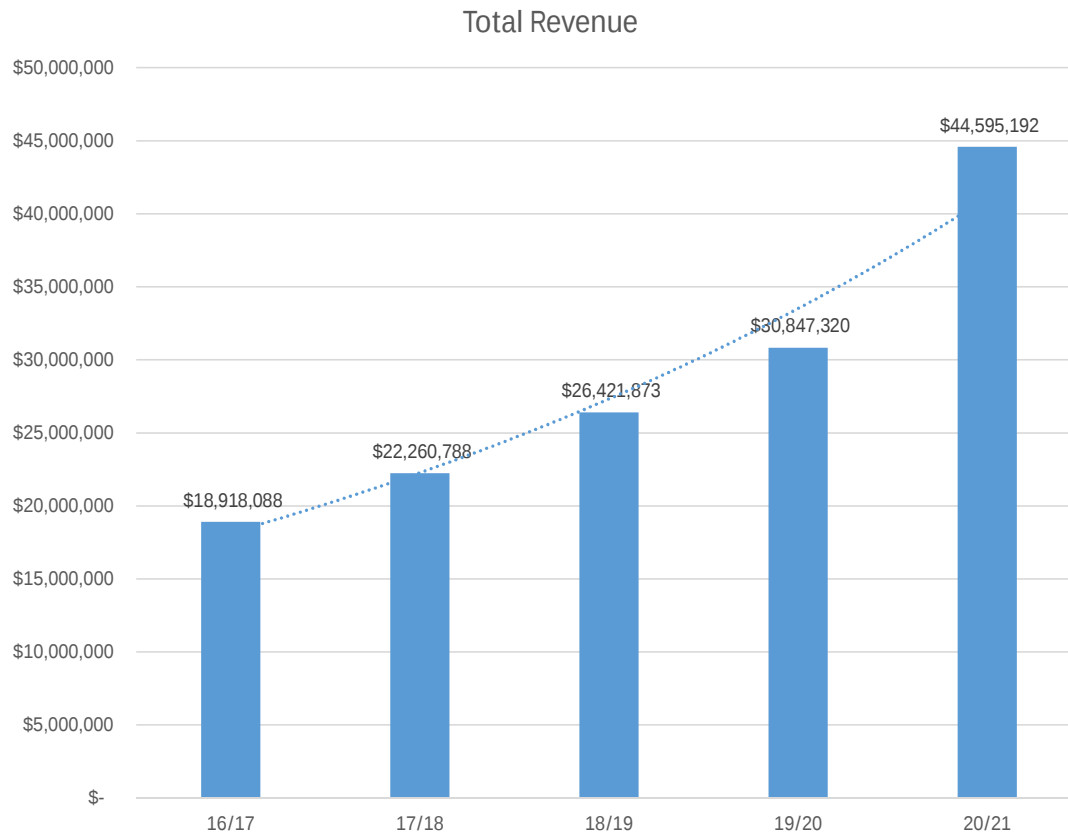
Revenue Trends: Building Permits



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20/21	\$ 23,520,428	\$ 660,109	\$ 20,414,655	\$ 44,595,192

119% 
Over 5-years

Revenue Trends: Total Revenue



FY	TPT - Const.	Planning	Building	Total
16/17	\$ 9,279,151	\$ 317,930	\$ 9,321,007	\$ 18,918,088
17/18	\$ 11,679,960	\$ 352,611	\$ 10,228,217	\$ 22,260,788
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19/20	\$ 16,876,892	\$ 413,251	\$ 13,557,177	\$ 30,847,320
20/21	\$ 23,520,428	\$ 660,109	\$ 20,414,655	\$ 44,595,192

136% 
Over 5-years


BUCKEYE, AZ

Process Improvement



Development Process Concerns

- Significant increase in employment and commercial activity, but last year we had zero increase in staff/budget
- Resulted in major problems with development community:
 - Multiple review iterations without approval
 - Complaints about not meeting timeframes
 - Complaints the City was more bureaucratic than others
- For a city so dependent upon growth and development, we had to quickly figure out how to deal with this

Process Improvements

- Council provided more positions and resources in this year's budget
- Completed internal improvements
 - First review comment resolution meeting; 2nd review approval
 - Instant electronic residential C/O for closing upon final inspection
 - Reduced fire flow requirements on commercial (75% vs 50% reduction)
 - Residential remote visual building inspections
 - Reduction in single family plot plan review by 14 days
- In-progress internal improvements
 - Model home complex release
 - Reducing administrative check-in and routing period



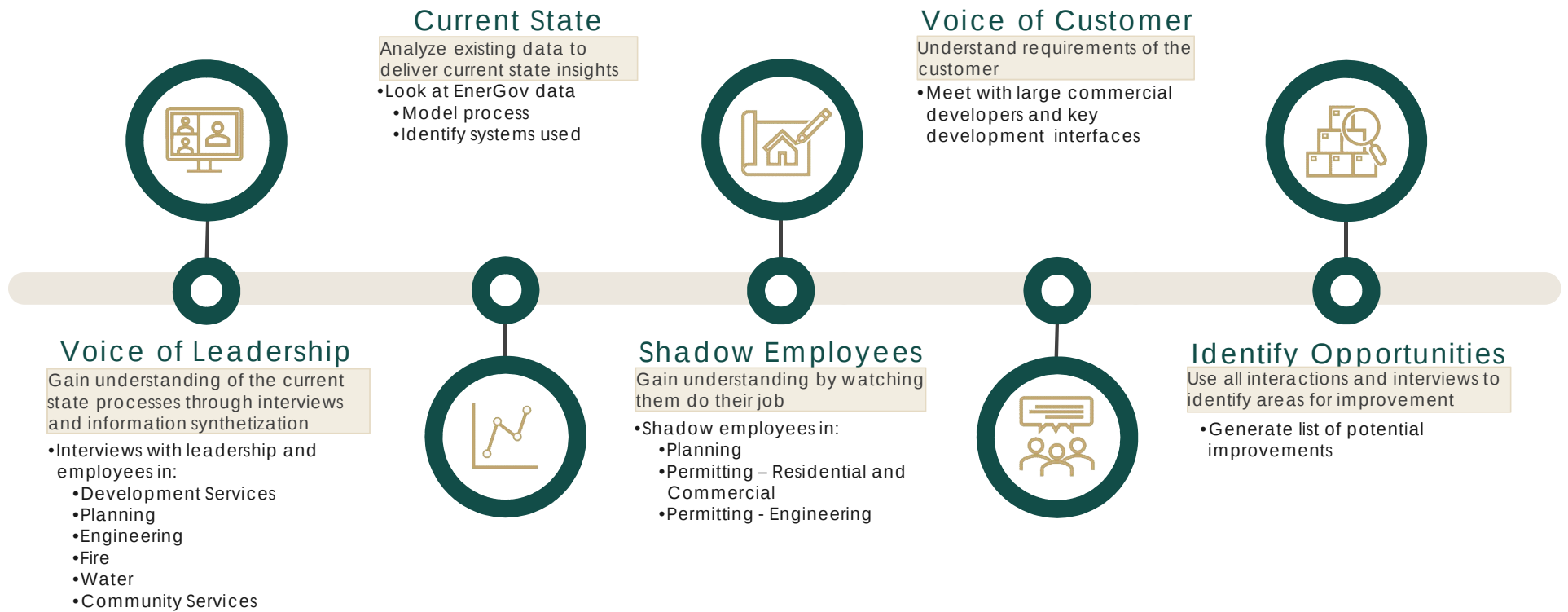
Development Process Review and Recommendations

21 December 2021





Project Approach





Opportunities and Threats

Opportunities Internally Identified Leadership & Employees

- Multiple redundant/legacy systems used for departmental work management, information collection and reporting impedes transparency and overall understanding of process and statuses
- Up to 25% of a tech's time is spent doing forensics to answer a question for a permit – OneDrive, Other Drives, EnerGov, Email Chains
- Lack of defined responsibilities between engineering and water cause reworks and delays

Threats Externally Identified Developers

- Casa Grande, Coolidge and Apache Junction are willing to work to think outside the box
- For the publicly traded builders, internal competition for investment is moving towards Florida and Texas where things are moving faster and the investment to revenue cycle is shorter
- Viewed as having a “gold plated mentality” – over detailed regulations





How to Improve

Enable people to exceed
customer expectations
through efficient process
underpinned with technology.





Process Improvement Recommendations

✓ PROCESS IMPROVEMENT

- Create a high-level single point of contact within department for the development community to address process related issues and concerns
- Define engineering and water review purview and responsibilities
- Define scorecards and reporting at three levels – city council, development services and departmental; automate reporting
- Develop an internal improvement cycle to systemically improve internal processes and reviews;





Technology Improvement Recommendations

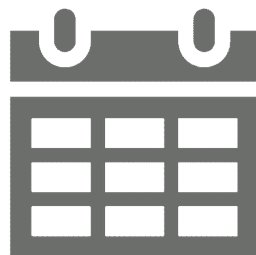
✓ TECHNOLOGY IMPROVEMENTS

- Build a staged technology roadmap to define and plan technology improvements
- Recommended EnerGov improvements:
- Longer Term - Develop integrated platform to include
 - Project Intake and tracking by customers
 - Promote checking current project status through existing customer dashboard





Prioritize
Improvement Area



Schedule



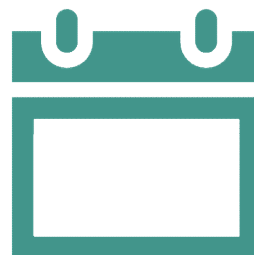
Gather Team &
Start from Scratch



Benchmark Other
Municipalities



Evaluate Risk



Document & Execute

Make
Improvement
a Practiced
Culture

Improvement
Cycle



Lisa Custer
LCuster@Curtis-Co.Com



Summary

- Recent slight decline in residential permits replaced by significant interest in multi-family and commercial/employment
- Forecasts for both residential and commercial point to continued growth over next several years
- Development related revenue is continuing to grow quickly (+136% in 5 years) and has shifted to reflect more commercial revenue and multifamily vs. single family residential revenue
- City is doing both internal and external review of all processes, and is quickly making efficiency improvements, but that will only take us so far

Next Steps

- We need to continue to add new resources to deal with growth
 - Positions
 - Competitive pay and benefits (class & comp; remote work)
 - Equipment
 - Technology
 - Space planning
- Staff would like to return in Jan. for a mid-year budget adjustment for critical resources



Questions and Discussion

