



Safety & Inspections

Presentation of FY25 Budget Recommendations to City Council



SAINT PAUL
MINNESOTA

STPAUL.GOV

Photo courtesy of
City of Saint Paul

Agenda

- **Department Overview**
- **Org Chart**
- **FTEs Summary**
- **Challenges & Opportunities**
- **Revenue Overview**
- **Updates on Recent Initiatives**
- **ARPA Update**
- **Budget-to-Actuals**
- **Budget Summary**
- **Activities Summary**
- **2025 Proposal**





Foundation

Promote safety and wellness where we live and work, prevent life and property loss, support neighborhood vitality, and promote equitable, innovative, and sustainable solutions that work for all.





Priorities

- **To maintain the safety and habitability of as many structures/businesses as possible; including the safe keeping of animals**
 - Fire Certificate of Occupancy inspections
 - Code Enforcement inspections
 - Construction Services plan review and inspections
 - Animal Services assistance to residents
 - Zoning administration
 - Effective Business Licensing management
- **Support financial and economic systems of the city**
 - Business Licensing administration
 - Call Center and customer application support
 - Vacant Building rehabilitation application support
 - Outreach for unsheltered residents, enforcement when necessary
 - Stable rent while allowing for investment/maintenance in housing
 - Special event support
 - Final sign-offs on all of the above





Performance Indicators of Note

- 13,077 building permits (10% ↑) for a total valuation of \$1,018,379,000 (22% ↑)
- Issued 3,676 business licenses (1% ↑)
- Conducted 10,984 Fire C of O inspections (8.46% ↓), issued 3,686 certificates (0.7% ↓)
- Conducted 39,020 Code Inspections (18.7% ↑) and 13,201 vacant building inspections (10.8% ↑)
- Processed 154 Rent Increase Stabilization requests (25% ↓), while handling 289 inquiries (30% ↓), 93 complaints (14% ↓), and 861 Just Cause Vacancy requests¹
- Animal Services responded to 3,374 animal related complaints (2% ↑)
- Animal Control achieved an 89% (5% ↓) live release rate for shelter animals, just missing the mark for a no-kill shelter
- Managed an estimated 83,044 (38% ↑) calls to our Information & Complaint line
- Facilitated 75 move-ins from homelessness into stable housing (27%↑).
- Unsheltered person living outside for 7 years, is now thriving in his own apartment

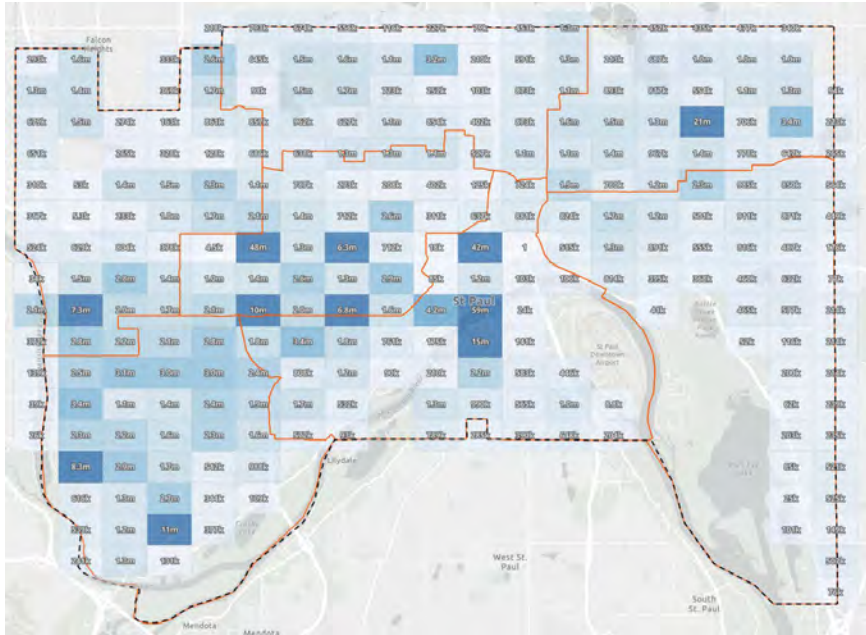
¹ The 2022 data was from 5/1/22-12/31/22, meaning the difference is much more dramatic than shown here.



Investment in Saint Paul's Built Environment

Yr	Budget	Actual (in millions)
• 2013	\$5	\$6.6
• 2014	\$6	\$8
• 2015	\$6.4	\$8.6
• 2016	\$7	\$7.9
• 2017	\$8.9	\$10.6
• 2018	\$9	\$10
• 2019	\$9.5	\$8.3
• 2020	\$9.6	\$9.9
• 2021	\$10	\$10.8
• 2022	\$10.2	\$12
• 2023	\$10.8	\$12.5
• 2024	\$9.8	\$7.3 as of 7/31/24

Over ten years, construction permit revenues not only out-perform adopted budgets, but typically increase each year 2023 saw over **\$1 billion** in construction investment



2023 Construction Investment Map

Construction Investment 2023
(arcgis.com)



SAINT PAUL
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Other 2023 Accomplishments

- Got grants!
- Implemented several ordinance changes
- Moved 3+ job profiles
- Closed out gambling enforcement fund
- Swapped to abatement contractor for our most common summary abatements
- Budget process within DSI
- Secured \$2.8 million for Animal Services relocation
- Hired 20, Promoted 4 (12.5% of workforce)
- Secured contract for PAULIE



2025 Budget Focus

Help alleviate reactive effort placed on:

Enforcement

Mistakes

Wait times

Missed opportunities

Employee turnover

Move towards prevention in key areas



David Hoban

Fire Chief

Fire Marshal

Office of the Director

- Business Review Council
- City-Council Liaison
- Finance, Accounting & Personnel
- Legislation Development and Review
- Project Management
- Public Information
- Technology Services
- Rent Stabilization

11.0 FTE



Angie Wiese

Building Official



Dan Niziolek

Housing and Building Inspection

<p>Code Enforcement</p> <ul style="list-style-type: none"> • Code Compliance • Nuisance Abatement • Truth in Sale of Housing • Vacant Building 	<p>Construction Services</p> <ul style="list-style-type: none"> • Building Plan review • Building Inspection • Electrical • Elevator • Mechanical • Warm Air/Ventilations • Plumbing • Energy Compliance 	<p>Fire Safety</p> <ul style="list-style-type: none"> • Residential • Commercial • Fire Engineering • Case Managed properties • Specialty Inspections
<p>Homeless Assistance Response Team</p> <ul style="list-style-type: none"> • Cleaning • Relentless Engagement 		<p>100 FTE</p>



Licensing, Permits, & Customer Service

<p>Business Licensing</p> <ul style="list-style-type: none"> • Licensing & Compliance • Skyway Management • Project Facilitation • Sound Level Permits • Cannabis 	<p>Zoning</p> <ul style="list-style-type: none"> • Zoning and Sign Regulation • Site Plan Review • Zoning Compliance • Water Resources 	<p>Animal Services</p> <ul style="list-style-type: none"> • Animal Licensing and Sheltering • Code Compliance
<p>Communications</p> <ul style="list-style-type: none"> • City-wide Information Calls • Process Complaints • Public Communication • Admin for Zoning Hearings 		<p>Front Counter</p> <ul style="list-style-type: none"> • Process Licenses & Permits • Cash Handling
<p>49.0 FTE</p>		

Total 160 Full Time Employees



FTE Historical Summary

FTEs by FUND	2020 FTEs	2021 FTEs	2022 FTEs	2023 FTEs	2024 FTEs	2025 FTEs	New FTEs in 2025
100: CITY GENERAL FUND	148.80	142.00	146.00	153.50	160	165	5
215: ASSESSMENT FINANCING	-	-	-	-	-	-	-
228: CHARITABLE GAMBLING	2.00	2.00	2.00	3.00	-	-	-
Total	150.80	144.00	148.00	156.50	160	165	5

Added 5 FTE in 2025 for State Energy Code Adoption

	Salary & Benefits	FTE
Mechanical Engineer	\$ 201,968	1.00
Development Coordinators	\$ 227,121	2.00
Building Inspector	\$ 159,593	1.00
Plan Examiner II	\$ 128,175	1.00
TOTAL	\$ 716,857	5.00

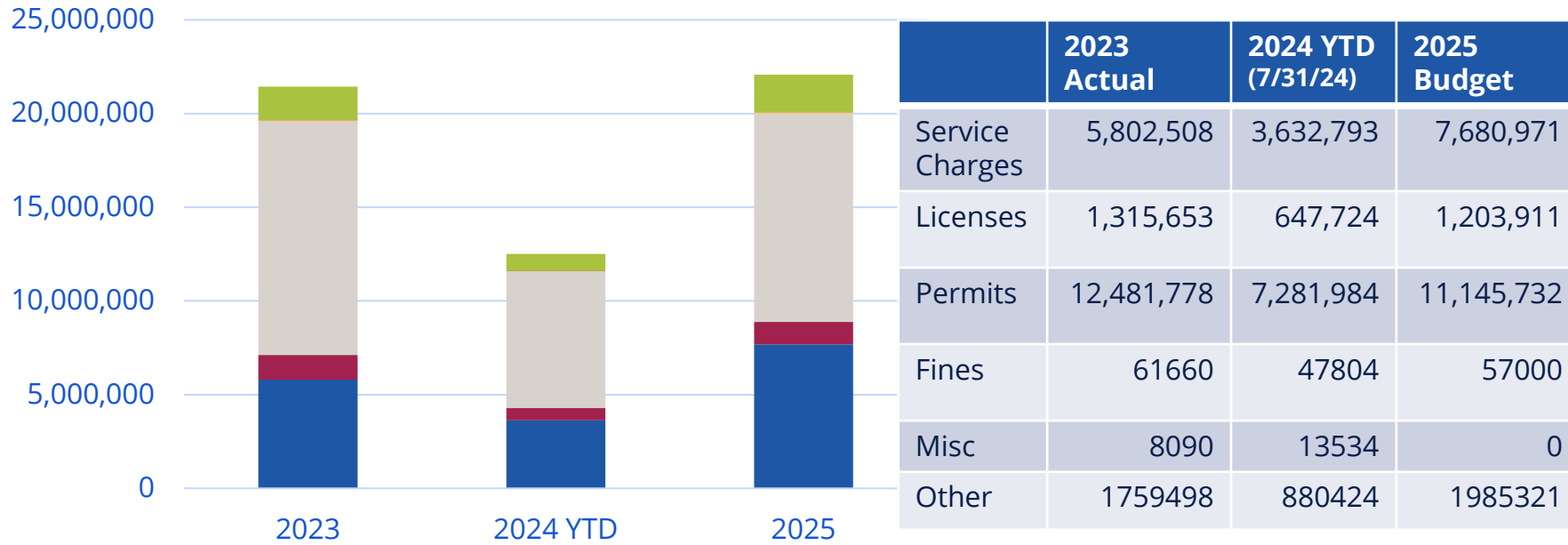


2025 Budget Focus in Action

- Robust Minnesota Energy Code customer experience and review
 - New fee for energy review
 - Energy Compliance Coordinator (2)
 - Mechanical Engineer (1)
 - Building Inspector (1)
 - Plan Review II (1)
- Close the gap on cost recovery for the vacant building program
- More accurately reflect revenue and attrition projections
- Increase training and education in Animal Services, Call Center, Zoning, Licensing
- Rebranding of Animal Control to Animal Services
 - Animal Services vehicles and safety equipment
- Language accessibility for common applications and handouts
- Credit Card terminals, modernize
- Re-emphasis on analyzing data for continuous improvement
 - Technology-driven dashboards influencing decision making
- Modernizing our application and inspection practices
- Encourage job studies where employees are feeling undervalued
- *Gray denotes our focus that does not require a change from DSI's 2024 budget.



Revenue Overview – Government Funds



■ Service Charges ■ Licenses ■ Permits ■ Fines ■ Misc ■ Other



Challenges & Opportunities

Staffing, staffing, staffing

- Vacations, babies being born, promotions, retirements
- Work comp injuries, long-term illness, job changes
- Job market, other governmental hiring, skilled labor force

Amazon-speed Culture

- Expectations for service delivery are higher than ever

PAULIE Project

- Transformation of epic proportions
- Enormous team investment
- Incredible opportunity for innovation



Updates on Recently Established Programs & Initiatives

- Deployment of Project Dox to Cloud (continuity/upgrade)
- Rent Stabilization new ordinance implementation
- HART – Homeless Action Response Team
- License issuance changes (class N)
- Animal Services No-Kill Shelter for the 7 Years in a Row
- Radon permit/inspection changes
- First campground licensed in the city- new housing opportunities
- Implementation of new VB fee structure to more adequately cover costs
- Skyway engagement with new stakeholders
- New and renewed partnerships to address livability issues in the City
- PAULIE acquisition and implementation



Updates on Hiring Recently Authorized FTEs

2024 General Fund FTEs added	Amount \$	FTE	Frequency
Add Abatement Coordinator (DSI Insp III)	119,172	1.00	Ongoing
Add .5 FTE Sheet Metal for full time FTE	80,990	0.50	Ongoing
Add 2 FTEs Animal Service Officers	182,303	2.00	Ongoing
TOTAL	382,465	3.50	

- Abatements are in full swing. >2x the abatements of 2023
- Sheet Metal Inspector is now full-time
- Animal Service Officers are hired although we still have 2 vacancies



Updates on ARP Projects

- Remote Virtual Inspections –
 - Testing wave 1 of 3 in the project
- Remote Virtual Inspections BRIC Match –
 - Purchase of mobile devices and planning of staff training
 - Project spending deadline of August 2025
- Customer Service Continuity – Finalizing Closeout
- SAC Financial Assistance Pilot for expanding outdoor seating – Finalizing Closeout
- Downtown Alliance Ambassador Program – Complete
- Unsheltered Response Team – Complete
- Licensing Services - Complete

- **Other projects DSI's work benefitted from:** Right Track, Public Works Painter, Police Downtown Beat Overtime, ARP Administration, RiverCentre Parking Ramp Repairs, Public Safety Radio Replacement, Recognition Pay Framework, Budget Stabilization, Snow Removal Optimization, 30% AMI Affordable Housing, Healthy Homes, and many more!



Updates on Other Grant Funded Programs

- Building Official Training Grant- Minnesota Department of Labor and Industry
 - One-time grant received in 2023 and again in 2024
 - One FTE to provide training and work experience for one year
- FEMA Building Resilience in Communities Grant
 - One-time grant for \$297,000 for project management and resources for Remote Virtual Inspections
 - No FTE commitment



Historical Budget-to-Actual (expenses)

	Budget Amount	Actual Amount	\$ Variance	% Variance
FY2021	20,103,693	19,551,462	552,231	3%
FY2022	20,231,212	18,259,455	1,971,757	10%
FY2023	23,430,841	22,515,820	915,021	4%
FY2024 YTD*	24,398,624	12,470,068	11,928,556	49%
FY2025	26,164,106	Proposed		

*YTD as of July 31, 2024



SAFETY & INSPECTIONS

	FY 2022 Actuals	FY 2023 Adopted Budget	FY 2024 Adopted Budget	FY 2025 Proposed Budget	Change From Prior Year
Spending					
100: CITY GENERAL FUND	18,313,733	23,334,949	24,398,624	26,164,106	1,765,482
200: CITY GRANTS	-	-	268,850	-	(268,850)
211: GENERAL GOVT SPECIAL PROJECTS	-	-	-	1,590,000	1,590,000
215: ASSESSMENT FINANCING	195,093	489,342	489,029	488,985	(44)
228: CHARITABLE GAMBLING	167,362	389,436	-	-	-
Total	18,676,189	24,213,727	25,156,503	28,243,092	3,086,588
Financing					
100: CITY GENERAL FUND	19,383,455	18,994,585	19,051,848	22,099,635	3,047,787
200: CITY GRANTS	-	-	268,850	-	(268,850)
211: GENERAL GOVT SPECIAL PROJECTS	-	-	-	1,590,000	1,590,000
215: ASSESSMENT FINANCING	141,376	489,342	489,029	488,985	(44)
228: CHARITABLE GAMBLING	445,267	389,436	-	-	-
Total	19,970,097	19,873,363	19,809,727	24,178,620	4,368,893



Department Divisions / Spending Overview(s) by Programs/Activities

Office of the Director

- Business Review Council
- City-Council Liaison
- Finance, Accounting & Personnel
- Legislation Development and Review
- Project Management
- Public Information
- Technology Services
- Rent Stabilization

11.0 FTE

FY25 \$2,361,819



Department Divisions / Spending Overview(s) by Programs/Activities

FY25 \$2,768,098

FY25 \$689,888

Housing and Building Inspection		
Code Enforcement <ul style="list-style-type: none">• Code Compliance• Nuisance Abatement• Truth in Sale of Housing• Vacant Building	Construction Services <ul style="list-style-type: none">• Building Plan review• Building Inspection• Electrical• Elevator• Mechanical• Warm Air/Ventilations• Plumbing• Energy Compliance	Fire Safety <ul style="list-style-type: none">• Residential• Commercial• Fire Engineering• Case Managed properties• Specialty Inspections
Homeless Assistance Response Team <ul style="list-style-type: none">• Cleaning• Relentless Engagement		

FY25 \$3,225,527

FY25 \$11,190,251



Department Divisions / Spending Overview(s) by Programs/Activities

	Licensing, Permits, & Customer Service			FY25 \$1,195,077
FY25 \$1,499,336	Business Licensing <ul style="list-style-type: none">Licensing & ComplianceSkyway ManagementProject FacilitationSound Level PermitsCannabis	Zoning <ul style="list-style-type: none">Zoning and Sign RegulationSite Plan ReviewZoning ComplianceWater Resources	Animal Services <ul style="list-style-type: none">Animal Licensing and ShelteringCode Compliance	FY25 \$1,291,488
FY25 \$899,582	Communications <ul style="list-style-type: none">City-wide Information CallsProcess ComplaintsPublic CommunicationAdmin for Zoning Hearings	Front Counter <ul style="list-style-type: none">Process Licenses & PermitsCash Handling		FY25 \$1,043,040
			49.0 FTE	



2025 Proposed Changes: Explanations

- Robust Minnesota Energy Code customer experience and review
 - New fee for energy review
 - Energy Compliance Coordinator (2)
 - Mechanical Engineer (1)
 - Building Inspector (1)
 - Plan Review II (1)
- Close the gap on cost recovery for the vacant building program
 - Active monitoring of vacant buildings, including after hours
 - Sale review to facilitate the return to active use
 - Increase the fee by 10%
- More accurately reflect revenue and attrition projections
 - 3-year lookback on revenue, conservative adjustments made
 - Additional attrition to assist with balancing budget





2025 Proposal Explanation

2024 Minnesota Commercial Energy Code

- Taking climate goals seriously – Adoption of the statewide Commercial Energy Code
- Supports City initiatives – aligns our approach today for the realities we may face tomorrow
- Energy Code requires buildings to act as **systems**, not independent functions
- Nearly all disciplines in Construction Services impacted
 - Mechanical Engineer – review complex mechanical systems designed by mechanical engineers
 - Plans Examiner II – Added review means more time per review.
 - FTE needed for the increase in time per plan
 - Building Inspector – Added inspection points means more time per inspection.
 - FTE needed for the increase in time per inspection
 - Energy Compliance Coordinator – Designs are complex and work as a system. Coordinators ensure people are working collaboratively and in tandem.
- Paid for with new proposed Energy Compliance fee of 0.2% of the project valuation.

- Minnesota adopted a goal of reducing the annual net energy consumption of commercial buildings at **least 80% by 2036**. Commercial buildings also include larger multifamily projects.
- Implementation of energy target and update process for commercial and residential buildings over 3 stories is extremely significant.
- Since 2015, the city's efficiency measures have **decreased electricity consumption by 47%**, but only **reduced natural gas consumption by 5%**.
- In 2022 and 2023 there were **more than 1500 plan reviews** each year that would be subject to the new Energy Code Review standards. That is 29 new reviews added to what we currently are tasked with per week.



2025 Proposal Details- Spending

Proposal - General Fund	Amount \$	FTE	Frequency
Energy Code Administration			
Mechanical Engineer	201,968	1.00	Ongoing
Development Coordinator	227,121	2.00	Ongoing
Plans Examiner II	159,593	1.00	Ongoing
Building Inspector	128,175	1.00	Ongoing
Update Former ARP	150,000		Ongoing
Removal of FEMA/BRIC Carryover	(268,850)		Ongoing
Increased Carry of Attrition	(79,373)		Ongoing
TOTAL	518,634	5.00	

Proposal - Housing Trust Fund	Amount \$	FTE	Frequency
Office → Housing Conversion Fees	1,000,000		One-Time
Permitting Process Funding	440,000	3.00	One-Time
TOTAL	1,440,000	3.00	



2025 Proposal Details- Financing

Proposal - General Fund	Amount \$	Frequency
Energy Code Administration Fee*	1,194,800	Ongoing
Increase Vacant Building Fee - 10%	41,800	Ongoing
Projected Revenue Adjustments		
Building Permits increase by 12.8%	1,257,098	Ongoing
Business License increase by 8%	55,043	Ongoing
Plan Review increase by 13.7%	400,000	Ongoing
Fire Certificate of Occupancy increase by 10%	131,490	Ongoing
DSI Assessments decrease by 11.1%	(200,000)	Ongoing
TOTAL	2,880,231	
Proposal - Housing Trust Fund	Amount \$	Frequency
Office → Housing Conversion Fees	1,000,000	One-Time
TOTAL	1,000,000	

*This new fee is 0.2% of the project valuation on plans needing a comprehensive energy review.



Summary

- Department of Safety & Inspections is fortunate to have relatively stable spending and financing over the last several years
- Experiencing a steady increase in volume across all business lines
- DSI's 2025 budget proposal reflects an all-in approach
 - Stewards of hard-earned dollars of our customers and taxpayers
 - Built environment sustainability
 - Housing production
 - Innovation in processes and customer experience
 - Universal design in online customer access



Questions & Discussion

