



DEPARTMENT OF
LICENSES AND INSPECTIONS

2010 ANNUAL REPORT

ACKNOWLEDGEMENTS

Mayor

Michael A. Nutter

Managing Director

Richard Negrin, Esq.

Deputy Mayor for Planning and Economic Development

Alan Greenberger

Editorial Review Board

Fran Burns, Michael Fink, Bridget Greenwald, Anuj Gupta, Samir Karumsi,
Maura Kennedy, Michael Maenner, Kirk McClarren, Thomas McDade, John Young

Authors

Fran Burns, Michael Fink, Bridget Greenwald, Anuj Gupta, Maura Kennedy,
Kirk McClarren

Cover photos courtesy of Greater Philadelphia Tourism & Marketing Corporation (GPTMC) and Philadelphia Convention and
Visitors Bureau (PCVB)

Avenue of the Arts photo by B. Krist for GPTMC

Mural Arts Program photo by Edward Savaria, Jr. for PCVB

Italian Market by Andrea Golod for PCVB

Schuylkill River and Center City Skyline by J. Handley for GPTMC

MESSAGE FROM THE MAYOR



2010 ANNUAL REPORT

Friends,

It is my pleasure to introduce the FY10 annual report for the Department of Licenses and Inspections. This report, now in its second year, is an important step towards our goal of promoting transparency, accountability and ultimately, better service to the citizens of our great city.

A change is underway at the Department of Licenses and Inspections. Thanks to the tireless efforts of the department's employees, wait times are shorter, service delivery is faster, the department's operations are more cost effective and we are improving the quality of Philadelphia's neighborhoods. Some of the notable accomplishments include legislatively reducing the number of license types from 138 to 35 to make the economic development process easier, substantially reducing the average cost of demolitions, and eliminating the backlog of clean and seal service requests.

But this is just a start. The Department is striving to become the nation's leading code enforcement agency and is working steadily to realize that goal. Over the coming year, improvements will come in the Department's on-line services, the face of the Department's literature will change to make it more user friendly, and it will continue to seek innovations towards making its processes more efficient – all geared towards providing high quality customer service.

I hope you take the time to page through this report. You will read about our successes and challenges and I hope you take away the same sense of excitement that I do. I also hope that you use this report as a platform to provide us with feedback on what we can do better. We are working towards continuous improvement every day which, I am certain, will lead us to becoming the nation's leading code enforcement agency.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael A. Nutter".

Michael A. Nutter
Mayor

ABOUT THE DEPARTMENT

The Department of Licenses and Inspections (L&I) is a public safety agency, charged with enforcing the Philadelphia code and educating residents about the code's requirements.

The core services of Licenses and Inspections (L&I) are to:

Core Services of L&I – Life Safety Services

Inspect properties for compliance to fire, property maintenance and businesses, trades and profession codes

Inspect/clean and seal vacant properties;
Conduct demolition program for imminently dangerous buildings

Review plans, inspect and issue permits according to building, zoning, plumbing and electrical codes

Issue licenses for various trades and business activities and locations

TABLE OF CONTENTS

2010 ANNUAL REPORT

Executive Statement	
Message from the Commissioner.....	2
Summary of Accomplishments.....	4
Organizational Chart.....	5
Executive Team Members.....	6
2010 Management Team.....	7
Division Descriptions.....	8
FY10 Vision	
Vision.....	9
Initiatives.....	10
FY10 Achievements	
Achievements.....	11
Performance Data.....	16
Customer Service Data.....	19
Employee Recognition Programs.....	21
Building Safety Month.....	23
Financial Section.....	25
Financial Performance Measures.....	30
311 Performance.....	32
FY11 Vision	
Year Three Goals.....	33
Mission Statement.....	34

MESSAGE FROM THE COMMISSIONER

Friends,

I am pleased to present the Fiscal Year 2010 (FY10) annual report for the Department of Licenses and Inspections (L&I).

FY10 marked a year of continued focus on setting core organizational values. We are fixing basic delivery of services, building on our foundation as an accountable organization, keeping the customer at the heart of our service, establishing key operational policies and rebuilding critical areas of our operation.

Our organization remains committed to the goal of being not just a leader in the work—but the nation’s leading code enforcement agency. We look to a time when we are viewed by the public in the same way we view ourselves. We are the City’s local building department. We are citizens of this city – neighbors, friends, family members. We care about the city and the role we play in providing a safer city. We are the enforcers of the Philadelphia code, but we do not write the code. We are an important tool the City uses in holding private individuals accountable for maintaining their property as defined by the Philadelphia code. We approach our work in a fair, impartial and honest manner. We are not the reason a situation exists but rather the partner in trying to get certain situations resolved.

As I reflect upon FY10, a few key highlights emerge.

We reduced the number of business licenses through legislation and collaboration with Philadelphia City Council from approximately 138 licenses to 35 licenses, making the license process less burdensome for businesses. We are currently in the process of implementing this important initiative.

The average cost of demolition in FY10 was \$17,000 per property compared to a cost of roughly \$26,000 per property in FY07. For the first time in a decade, we implemented programmed proactive inspections of multi-family dwellings (R2 building occupancies) and business district surveys.

We continued to reduce our operations overtime cost by 22.8% when comparing FY09 to FY10 for a two year total reduction of 64.0% from FY08 to FY10. In real numbers, the Department spent \$749,527 in FY08 on operations overtime compared to \$268,555 in FY10. We reduced cost while providing better service.

We hired two attorneys to represent the Department in municipal court action. We doubled the list of items considered as eligible for the “Fast Track” process in front of the Zoning Board of Adjustment (ZBA) from 5 items to 13 items in an attempt to continue to administratively support the hearing process.

MESSAGE FROM THE COMMISSIONER

We established the position of Green Building Manager to lay our stake in the goal for Philadelphia to be the number one green city in America. We submitted for consideration and received City Council approval for adoption of the 2009 International Building and Fire codes. Michael Fink, Deputy Commissioner for Development, was named Chief Code Official of the Year by the International Code Council.

The Department continues to strive to meet a series of service level agreements (SLA) established for the variety of services it provides. In FY10, nearly all service level agreements were met over 90 percent of the time. The Department received 27,268 service requests from 311 in FY10 and met the service level agreements 89 percent of the time.

The above list and other achievements are further enumerated in the pages following. Additionally, when measuring ourselves against the goals we set out to achieve in FY09 for FY10, I am pleased to report we've achieved many of our FY10 objectives. The slowest to move and the one area that we starkly did not perform is the delivery of online services. We hope to have momentum with the Division of Technology for FY11 results.

In FY11, we're poised to embark upon the next phase of our change. We need to continue to work on improving customer service, making plan review more consistent, inspecting more reliably and timely and holding ourselves accountable. It's time to move beyond fixing the basics and start measuring our effectiveness in code enforcement; determining what outcomes we want to affect and achieve; delivering outcome based service and making our Department more transparent and navigable for the customer. We also will work on communicating our value to the city and the citizens.

I tend to focus on how we've improved but let's not forget what we produce. In FY10, from a pure output perspective there were:

- 37,243 permits issued
- 14,205 plans reviewed
- 85,495 construction inspections
- 98,553 operations division inspections
- 1,470 clean and seals
- 568 demolitions

The good work of the Department of Licenses and Inspections is performed by dedicated City employees that come to work nameless everyday but serve thousands of citizens. I look forward to the challenges in Fiscal Year 2011 and working with the employees of Licenses and Inspections in providing quality service to the City of Philadelphia.

Sincerely,



Fran Burns, Commissioner

SUMMARY OF ACCOMPLISHMENTS

The Department of Licenses and Inspections (L&I) has **slashed overtime**, cutting costs by 22.8% since FY2009 and 64% since FY08—saving almost \$500,000 a year. The Department has also faced back-to-back budget cuts of 10% in both FY09 and FY10.

Despite these financial constraints the Department continues to make tremendous strides to deliver more, higher quality service.

L&I has achieved **tremendous efficiencies in the demolition of dangerous structures**. Through improvements in the bidding process and a sluggish economy, the average cost of demolition fell from \$26,000 in FY2007 to \$17,000 in FY10.

The Department has shifted from being a complaint driven agency to one that proactively enforces property maintenance and licensing standards. L&I visited over 1,400 businesses along many commercial corridors across the city in an effort to improve code compliance. First the Department educated businesses as necessary to become properly permitted and licensed.

L&I launched a **proactive rental inspection program** which dedicates inspectors to looking for unlicensed rental properties in specific census tracts. **This proactive enforcement not only incents owners of rental properties to properly maintain their building but it also ensures that landlords are properly licensed and are paying taxes.** The program has **netted nearly \$40,000 in additional rental license revenue** and has brought 425 property owners into compliance with their licensing requirements.

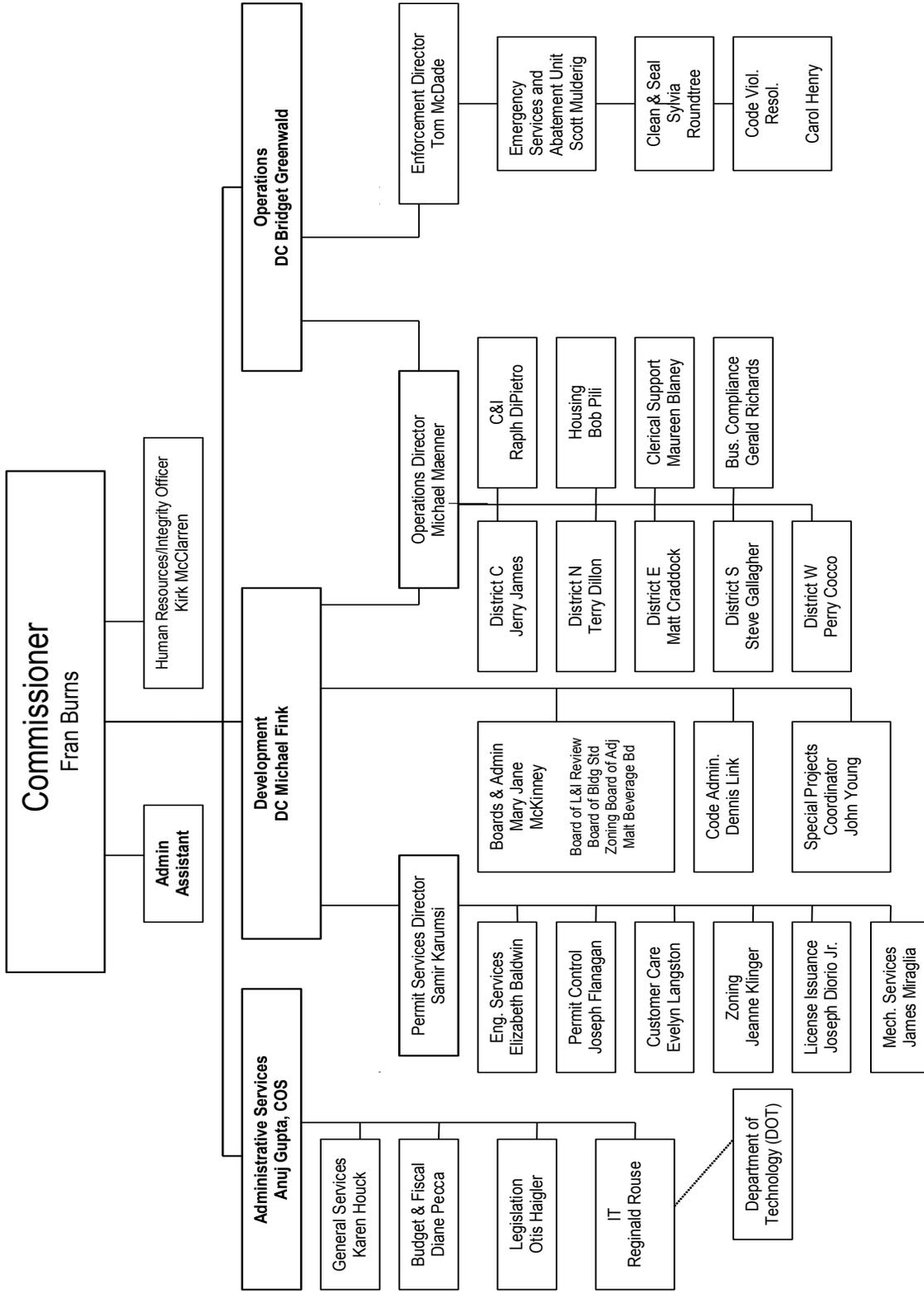
The Department is also working to reduce the burden on its customers. It has **streamlined licensing requirements for businesses**—legislatively consolidating more than 130 separate licenses down to just 38. The Department has also begun to **cross train code enforcement inspectors** so that one inspector can conduct business, residential and commercial inspections—**saving both time for the customer and resources for the Department.**

L&I has also changed how **property owners are held accountable**. The Department has **stopped the cycle of endless reinspections**. Now there is a clear escalation table that mandates that owners who do not take responsibility for the maintenance of the property will be taken to court after three departmental inspections. The Department **hired two full-time attorneys** to better equip itself in legal battles.

L&I has also made huge gains in making the Department more accessible. It was the **first department to consolidate its call center operations into 311**, the City's new number for information and service requests. This allowed the Department to better serve its customers by improving the rate of telephone response and centralizing the collection and dissemination of information.

ORGANIZATION CHART

DEPARTMENT OF LICENSES & INSPECTIONS



2010 ANNUAL REPORT

2010 DEPARTMENT EXECUTIVE TEAM



Fran Burns,
Commissioner



Bridget Collins-Greenwald,
Deputy Commissioner for
Operations



Michael Fink,
Deputy Commissioner for
Development



Anuj Gupta,
Chief-of-Staff &
Deputy Commissioner



Samir Karumsi,
Permit Services Director



Michael K. Maenner,
Director of Operations



Thomas McDade,
Director of Enforcement
and Neighborhood Services



Kirk McClarren,
Administrative Services Director

2010 MANAGEMENT TEAM



Management Team:

George Altmeier, Elizabeth Baldwin, Maureen Blaney, Fran Burns, Charmaine Butler, Elizabeth Carrasquillo, Perry Cocco, Matthew J Craddock, Terrence Dillon, Joseph A Diorio, Joseph A Diorio Jr, Ralph DiPietro, Ela Fernandez, Michael Fink, Joseph Flanagan, Donna Foster, Stephen Gallagher, Whiena Gonzalez, Bridget Greenwald, Anuj Gupta, Otis Haigler, Linda Halcom, Carol Henry, Karen Houck, Gerard James, Bernice Johnson, Jeanne Klinger, Evelyn Langston, Amy Mader, Michael Maenner, Marian McAndrews, Kirk McClarren, Thomas McDade, Mary McKinney, James Miraglia, Scott Mulderig, Victoria Pearsall, Diane Pecca, Robert Pili, Daniel Quinn, Sylvia Roundtree, Reginald Rouse, Veronica Saunders, Lindora Thorn, Calvin Walker

DIVISION DESCRIPTIONS

The Department of Licenses and Inspections is divided into three major sections, which provide a wide range of services designed to advance development and public safety.

Administrative Services

This division provides support services for all Departmental activities. This includes human resources and training, information technology, budget and fiscal support, accounts and procurement, materials and supplies, general services and support.

Development

This division is primarily responsible for ensuring that construction activities throughout the City are performed in compliance with codes and ordinances of the City of Philadelphia and the Commonwealth of Pennsylvania. This division carries out this responsibility through the issuance of zoning, building, plumbing and electrical permits and licenses and the site inspections of construction activity. The division issues all

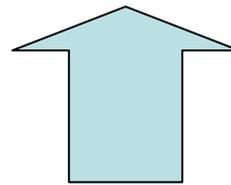
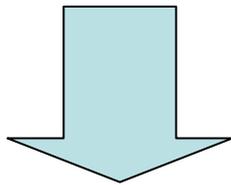
Operations

The Operations Division is responsible for all code enforcement issues as related to the Fire, Property Maintenance, Zoning and Administrative Codes.

The divisional units work together to ensure that quality of life and life safety issues are resolved through the use of education, communication and finally, enforcement. The Housing Code Enforcement Unit is responsible for inspecting residential properties in the City. The Clean & Seal Unit is responsible for vacant properties. The Emergency Services and Abatement Unit will demolish properties in imminent danger of collapse. The Code Enforcement Violation Resolution Unit will prosecute those who do not come into compliance in equity and/or municipal court.

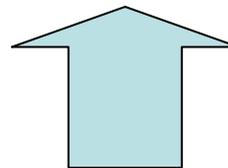
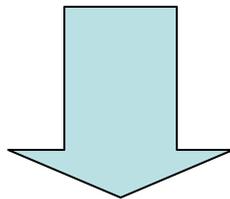
Finally, the Commercial and Industrial Fire Unit is responsible for inspecting all commercial and industrial properties for compliance with property maintenance, fire and zoning codes. The Commercial and Industrial Fire Unit can refer issues to the Clean & Seal, Emergency Services and Abatement, and the Code Violation Resolution Unit for resolution.

One Vision: To be the Nation's Leading
Code Enforcement Agency



Core Set of Values

- ❖ High Level of Accountability
- ❖ Focus on the Customer
- ❖ Professional Culture
- ❖ Results Driven
- ❖ Ethical In All Aspects of Conduct and Service Delivery



Initiatives to Accomplish Vision

2010 GOALS AND ACTION STEPS

THE Department of Licenses and Inspections has launched an ambitious multi-year effort towards becoming the Nation's leading code enforcement agency. In Fiscal Year 2010, we continued our pursuit of this standard, within the context of our core principles, by establishing the following goals:

HIGH LEVEL OF ACCOUNTABILITY

- Improve information management to recognize trends and respond accordingly
- Meet all service level agreement standards 100 percent of the time

RESULTS DRIVEN

- Reduce regulatory complexity by consolidating and eliminating licenses
- Develop a strategy for unsafe and vacant properties
- Reduce high number of incomplete applications submitted
- Institute program inspections for multi-family dwellings
- Begin education/inspection program in business corridors to improve code compliance

FOCUS ON THE CUSTOMER

- Make the development process easier to navigate by simplifying fact sheets for high volume activities, achieve greater consistency in plan review and participate in work of the Zoning Code Commission
- Work towards implementation of electronic plan review
- Create and implement on-line license/permit wizard service
- Simplify license payment process

PROFESSIONAL CULTURE

- Standardize customer service experience
- Improve professional environment through employee recognition
- Foster employee collaboration across the department

2010 ACHIEVEMENTS

In 2010, the Department of Licenses and Inspections made progress in a number of areas. The Department increased the level of accountability for workers, placed more value on the customer, focused on results driven improvements, and emphasized a more professional Departmental culture.

Value: High Level of Accountability

- ✓ The Department's Development division instituted managerial reporting to gauge the efficiency and monitor operations and customer responsiveness in a number of units including plan reviews and license and permit issuance and permit inspections.
- ✓ The Department issued a court policy to streamline process, build continuity in enforcement efforts, give the public an understanding of the L&I escalation process, and better manage Departmental resources. The policy ensures that the Department first conducts an initial inspection which is followed by a standard compliance period. A re-inspection is then completed within a standard timeframe and, following an additional compliance period, if the violation is still outstanding, the Department makes a third and final re-inspection and then takes the violator to court for prosecution. This policy ensures that the Department will not repeatedly and needlessly inspect one violation before escalating the enforcement process and it ensures predictability and standardization.

Making a Difference

To: John Wolfe

Thank you very much for your assistance with this project. It is very comforting to know as a professional that there are representatives on the permitting end who truly take the time and effort necessary to assist with applications. In these days of very demanding clients we have at our firm, it is extremely helpful to know that we have people we can count on to help us obtain our permits. Thanks again for your dedication and assistance with this and all projects.

Matthew Z. Kensil, PE

2010 ACHIEVEMENTS

Value: Focus on the Customer

- ✓ The Department redesigned the license and permit issuance concourse in the Municipal Services Building to reduce wait times, provide a better environment for plan examiners to meet with customers and enhance the customer service experience and create a professional setting.
- ✓ The Department cross trained staff to conduct zoning and building permit application reviews to improve efficiency and customer responsiveness.
- ✓ The Department instituted technical auditing of building plan examiners to improve the consistency of code interpretation.
- ✓ The Department worked with the Office of the Deputy Mayor for Economic Development to complete a review of the existing development permitting process and develop recommendations for improvements to the process.
- ✓ The Department initiated regular plan examiner and inspector “sync” meetings to improve the consistency of code interpretation between the inspectors and plan examiners.
- ✓ The Department hired 8 new construction inspector trainees to improve construction site code enforcement.
- ✓ The Department began offering plan review and permit issuance for residential additions and alterations from our East District Office.
- ✓ The Department updated all Department forms and guides to reflect the newly adopted International Building Code.
- ✓ The Department conducted first time cultural competency training of inspectors to improve communication with limited english proficient customers and launched innovative language access tools in customer service areas to improve service for limited english proficient customers.
- ✓ The Department reinstated an education program for customers using the permit drop-off application service.

Value: Focus on the Customer

- ✓ The Department implemented a plan to crosstrain code enforcement inspectors so that one inspector can conduct business, residential and commercial inspections. This reduces the number of individual inspections required from three to one—saving both time for the customer and resources for the Department. Sixteen inspectors were hired into this position in June, 2010 and will allow L&I to provide one-stop service to all business, commercial and residential properties in designated census tracts.
- ✓ The Department has not only reduced the wait time for clean and seal requests to be fulfilled from months to an average of 10 days, but it has eliminated a backlog of hundreds of requests dating back to 2006. In FY10, thanks to funds obtained through the American Recovery and Reinvestment Act, all properties on the backlog list were cleaned and sealed.

Making a Difference

January 23, 2010

I would like to bring your attention to the excellent assistance given me by Ms. Evelyn Langston. January 15, 2010, I attempted to pay the Rental License fees for several rental properties and one of which, I did not have a bill. While searching for the property that I did not have a bill for, Ms. Langston noticed there was an error in my account. She asked me if I could wait while she corrected the error. She was very knowledgeable, courteous, and exhibited a level of professionalism I have not experienced in a long time. She was very diligent in her pursuit to resolve the matter. It was refreshing to see someone with patience who was customer-service oriented and resolute.

Please extend my appreciation to her for the excellent assistance she provided.

Sincerely,
William Smith, Jr.

2010 ACHIEVEMENTS

Value: Results Driven

- ✓ The Department partnered with City Council to introduce legislation reducing the number of licenses administered from over 130 to 35, thereby making the license process less burdensome and the regulatory framework easier to navigate.
- ✓ L&I leadership furthered the goals of Mayor Nutter's citywide sustainability plan, *GreenWorks*, by participating in green building code hearings organized by the International Code Council and appointing a green building manager to develop a green building program for the Department.
- ✓ The Department initiated trainings at the American Institute for Architects (AIA) to improve baseline knowledge to complete building permit applications and, accordingly, reduce the number of incomplete applications submitted.
- ✓ The Department undertook several successful business census surveys in FY10 to improve code compliance throughout the city. Inspectors went to business districts where they provided educational materials to business owners on the steps needed to become properly permitted or licensed. The educational materials were provided in several languages. In FY10, L&I visited over 1,400 businesses.
- ✓ L&I automated annual school and high rise inspections. The Annual Inspection Report (AIR) application now assigns inspectors such structures automatically, improving inspection efficiency and accountability.
- ✓ The Department launched a proactive rental inspection program (R2 program) through which dedicated inspectors are looking for unlicensed rental properties in specific census tracts. The program has netted nearly \$40,000 in additional rental license revenue and has brought 425 property owners into compliance with their licensing requirements.
- ✓ The inspection staff of the operations division were reassigned (from Center City) to district offices based upon the geographic areas of the city they cover. As a result, inspectors are able to get to inspection sites more quickly thereby reducing mileage reimbursement costs and improving productivity.

Value: Professional Culture

- ✓ L&I instituted a standardized customer interaction program in its Municipal Service Building license/permit issuance operations to improve the customer experience from “greet through farewell.”
- ✓ The Department identified all unsafe and imminently dangerous buildings in the city and marked them with a universal symbol to warn firefighters about the structural danger.
- ✓ The Department published a revised Employee Handbook. The handbook, the first revision in almost 10 years, was expanded to include comprehensive employment, compensation, benefits and safety information. In early FY11, the department will also publish a new Policies and Procedures Manual.
- ✓ During FY10, the Department modernized its payroll and attendance system through the acquisition of *Stromberg Enterprise* software. This new system allows both office and field employees to record their time worked and request time-off through the interactive software program.

Making a Difference

Dear Mr. Mayor,

January 7, 2010

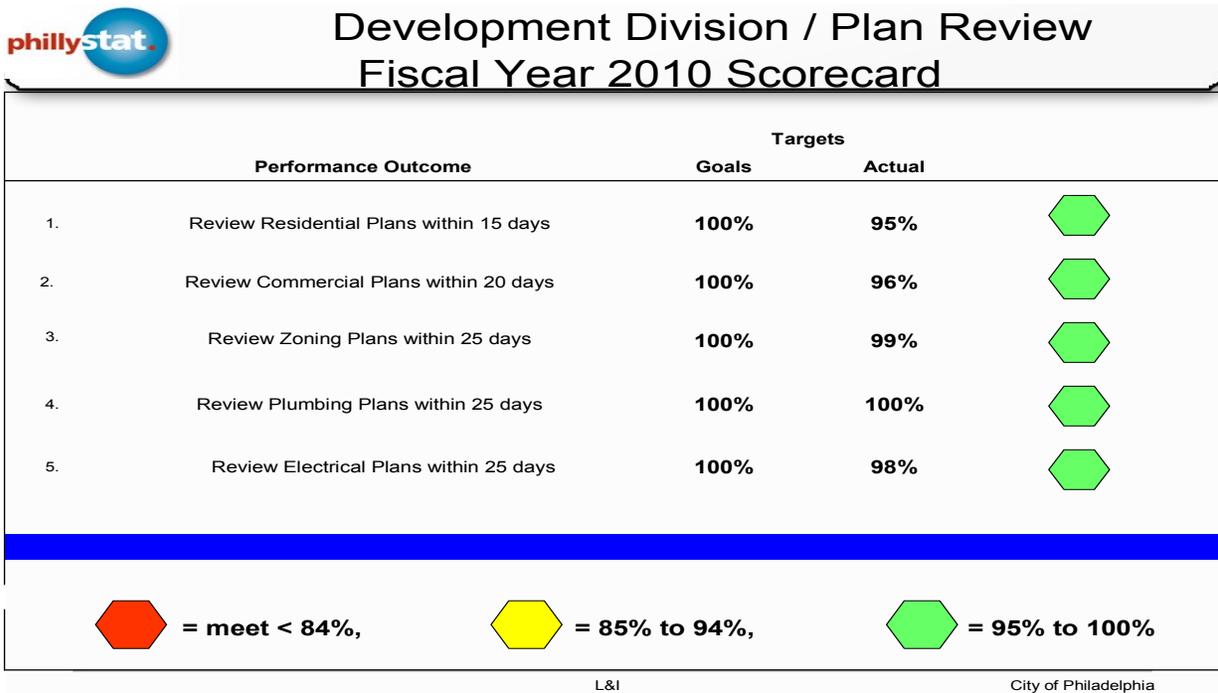
We are aware of your efforts to make Philadelphia a better place to do business and we are aware that you have encouraged city employees to attempt to accommodate those who are attempting to do business in this city.

I wanted to bring to your attention the fact that Lisa Adams went above and beyond with her efforts to assist us in locating a building permit for a major hospital within the city. She was extremely courteous and very professional as well as efficient. It is our opinion that she is a wonderful example of a dedicated city of Philadelphia employee. We were so impressed with her efforts to accommodate us that we thought you should be aware of her superior efforts.

Sincerely, David E. Richter

2010 PERFORMANCE DATA

L&I has embraced performance management as a critical tool to help reach the Department's goal of becoming the nation's leading code enforcement agency. In addition to participating in the Managing Director's PhillyStat program, the Department produces a consistent set of monthly reports that are reviewed to determine how well service level standards are being met and what trends are emerging in service delivery. This allows the Department to more accurately allocate resources to meet the public's needs.



Performance Comment: The Department has established service level standards for all of its plan reviews to provide the public with clear expectations of when a complete application can be returned. While the Department has met all of its service level agreements within four percent in FY2010, incomplete applications continue to present an issue to the Department. The service level standards only measure the response time from the initial plan review. If the application is complete and the plans code compliant, a permit could be issued the next day.

To reduce the number of incomplete applications, the Department is taking a number of proactive steps including training stakeholders on the requirements of plan applications and improving documents that clearly communicate application information requirements to the customer. Over the coming year, L&I hopes to greatly reduce the number of incomplete applications and respond to more customers within the stated service level agreements.

2010 PERFORMANCE DATA



Development Division – Service Counter & Inspections Fiscal Year 2010 Scorecard

Performance Outcome	Targets		
	Goals	Actual	
Perform Building Permit Inspections within 2 days of request	100%	97%	
Perform Plumbing Permit Inspections within 2 days of request	100%	96%	
Service Permit Customers in Concourse within 30 minutes	100%	99%	
Service License Customers within 30 minutes	100%	92%	

= meet < 84%,	= 85% to 94%,	= 95% to 100%
	L&I	City of Philadelphia

2010 ANNUAL REPORT

Performance Comment:

The Department has worked very hard to standardize and set expectations for when initial inspections will take place. Moreover, the Department wants customers to know, when they arrive at a service area, what they can expect in their experience and how long it may take to receive service. In FY2010, the Department achieved its stated goals within a few percentage points of its 100 percent goals. Staff attrition presented a challenge to meeting the Department's 30 minute service standard at License Issuance, but customers were still serviced within 30 minutes 92 percent of the time.

Performance Comment:

One of the Department's proudest achievements in FY10 was to not only improve its response time to clean and seal requests from months to an average of 10 days, but the Department has eliminated a backlog of hundreds of requests that dated to 2006. While much work remains in neighborhoods through the City, the Department is now effectively managing towards a goal and making a difference in the quality of life for residents throughout Philadelphia.

The Department has also improved the efficiency of its demolition operations by reducing the turnaround time and reducing the average cost of each demolition.

20010 PERFORMANCE DATA



Operations Division / Inspection Units

Fiscal Year 2010

	Unit (Performance Outcome)	Targets		
		Goals	Actual	
1.	Business Compliance (Respond within 30 days)	100%	96%	
2.	Commercial & Industrial Fire (Respond within 15 days)	100%	96%	
3.	Housing Code Enforcement (Respond within 30 days)	100%	86%	

	= meet < 84%,		= 85% to 94%,		= 95% to 100%
--	---------------	--	---------------	--	---------------

L&I

City of Philadelphia

Performance Comment:

The Department also established performance standards for business, commercial and industrial and housing inspections two years ago. As compared to FY09, all three units made significant progress.

In the last half of FY09, both the business compliance and commercial & industrial units made 86% of their inspections within 30 days. Both figures improved to 96% in FY10. Meanwhile, the housing inspection unit, which typically gets over 1,000 service requests each month, improved from 81% in the last half of FY09 to 86% for FY10.

Making a Difference

On June 15th, 2010 I went to the MSB to deal with a license renewal situation. I expected to be dissatisfied, inconvenienced, and basically about as unhappy as a person who just had a root canal. To my surprise, my wait was short and the service was excellent...Coming from the hospitality industry, I am well aware of how easily customer satisfaction can be lost.

Regards,
Paul "Skip" Concowich, CLSD

2010 CUSTOMER SERVICE SURVEY

At the end of FY2010, the Department initiated another comprehensive customer service survey to obtain valuable feedback from our customer base, determine where improvements need to be made and understand where we are doing well.

This year's survey included 437 responses—a 13% increase over the 2009 survey. The respondents varied across the sectors they represented but a majority were contractors, business owners and homeowners. Most of the respondents interacted with L&I via the license and/or permitting process.

Overall, the Department's reform efforts appear to be making a difference in the customer service experience. As the graph below demonstrates, in FY2010, 66% of respondents rated their overall customer service to be a five or higher (on a scale of one to seven with one being "poor" and seven being "excellent") compared to 52.5% in FY2009.

2010



2009



2010 CUSTOMER SERVICE SURVEY

The Department has also made strides in improving the consistency of communications with the public. In both procedure and application of relevant codes, L&I has sought to standardize the customer experience such that the public knows what to expect and how long it will take. As evidence of the improvement, in 2010, as the graphs below demonstrate, 63 percent of respondents rated their interactions with inspectors as consistent with a five or higher (on a scale of one to seven with one being “not at all consistent” and seven being “very consistent”). In 2009, only 28.4 percent of respondents gave a similar rating.



Despite these accomplishments, work still remains. When asked to rate the length of time to wait for customer service, in 2010, 49.2% of customers rated the Department a 4 or below. This was consistent with the 50% of respondents that expressed similar sentiments in 2009. It marks an area in which Licenses and Inspections will continue to look for ways to improve the customer experience.

2010 EMPLOYEE RECOGNITION

Employee of the Quarter

In an effort to recognize outstanding performance, the Department continued its Employee of the Quarter program in FY10. The award is given to those employees who have provided exceptional service or gone out of their way to perform their tasks over the course of the quarter. Employees in each of L&I's three divisions are nominated by their peers and selections are made by the Department's Executive team. For FY2010, the Employees of the Quarter included:

Akram Aramin



Hettie Drummond



Karen Houck



Elizabeth Carrasquillo



William Lennon



Brad Krause



Paul Poessl



Jacqueline Schwab



Carlos Perez



2010 EMPLOYEE RECOGNITION

The Wismer Award

During Building Safety Month, the Department awards the David L. Wismer Award to a nominee who has displayed exemplary performance and service to the Department and code enforcement in general. The FY2010 recipient of the award was Brett Martin. This past year, Brett significantly increased his dedication to his profession by offering training sessions both within the Department of Licenses and Inspections, and as a member of the Board of Directors of the ICC Liberty Chapter of Philadelphia.



Code Official of the Year

The 2009 prestigious Code Official of the Year award, made by the International Code Council, was given to Deputy Commissioner Michael Fink (center). Deputy Commissioner Fink was honored for his meritorious contributions to the code enforcement profession and for setting national professional standards. DC Fink serves on the IPA Uniform Construction Code Review and Advisory Committee. In that role, he is responsible for providing review and advice on matters related to Pennsylvania's construction code.



2010 BUILDING SAFETY MONTH

For the past 10 years, the Department of Licenses and Inspections has celebrated Building Safety Week, part of a national effort to raise awareness of the importance of the building codes and those in the building safety profession who work year-round to ensure the safe construction and maintenance of our buildings. This year, because of its 30th national anniversary, Building Safety Week was expanded to Building Safety Month by the sponsors of this celebration, the International Code Council (ICC) Foundation.

On Monday, May 3, 2010, Mayor Michael A. Nutter and Department of Licenses and Inspections Commissioner Fran Burns kicked-off the start of Philadelphia's celebration of Building Safety Month with a proclamation and public event attended by many representatives of the building safety community.



Commissioner Burns and Fire Commissioner Ayers at Building Safety Month press conference

Throughout the month, the Department partnered with external organizations such as the Liberty Chapter of the ICC, the Building Owners and Managers Association (BOMA) as well as City agencies such as the Office of Emergency Management and the Philadelphia Fire Department to host events, panel discussions and educational seminars intended to ultimately make the city a safer place. Mayor Nutter said, "Building safety month is a very important initiative towards our efforts of building a safer and more livable Philadelphia. I applaud the efforts of our partner organizations and our hard working City employees to pull this ambitious agenda together over the next month. We are building a safer city because of efforts like Building Safety Month."

Department of Licenses and Inspections employees also volunteered to speak at several Philadelphia public schools to explain the duties and responsibilities involved in code enforcement. Several panel discussions were held including: the Importance of Building Codes – on May 11th in partnership with the Building Owners and Managers Association; a forum on new façade maintenance legislation, in which over 100 attendees listened and discussed the new legislation requiring facade inspections; and a presentation on building a better permitting process, in partnership with the American Institute of Architects.

The month also featured several training seminars involving employees and the public, technical assistance sessions hosted by Licenses and Inspections staff, and a month-long outreach effort at a home improvement store to improve contractor licensing and permitting compliance.

PROMOTING GREEN BUILDING

Green Building Program

In FY10, the Department of Licenses and Inspections created a green building program designed to better facilitate sustainable construction in the City of Philadelphia. This program is intended to promote green building on all levels in Philadelphia, from homeowners working on small renovations to large scale commercial development.

In establishing this program, the department has worked and communicated extensively with a broad variety of stakeholders to solicit input and suggestions on how the practices of commercial development can more closely align with the safety and regulatory goals of the Department.

The L & I green building manager has worked extensively with the Mayor's Office of Sustainability in refining the development process to encourage and simplify green construction projects. In the past year, L&I has streamlined and clarified the process for installing solar photovoltaic panels, and is currently exploring other opportunities to improve the review process for sustainable building projects.



The Department also received Energy Efficiency and Conservation Block Grant funding through the Department of Energy which was used to develop a green building training series for Department employees. This program includes training for all technical staff on the 2009 revisions to the international building codes, GreenAdvantage training

for all building inspectors, and LEED accreditation exam preparation for all engineers. The GreenAdvantage curriculum, which is geared towards contractors and inspectors working in the field, fills a critical gap and complements the code compliance and third party verification trainings to ensure that Department employees are well versed in all stages of the green construction process.

This ambitious training program is designed to familiarize department staff with code changes and construction techniques that reflect development preferences for sustainable construction. This education ensures efficient and effective plan evaluations for green projects that come into the department for review.

In the coming year, L&I and the Mayor's Office of Sustainability will publish a Citizens Guide to Green Building. This document will serve as a resource for a broad cross section of stakeholders on a variety of green building topics including financial incentives, sustainable design and renovation techniques, material selection and code compliance.

2010 FINANCIAL SECTION

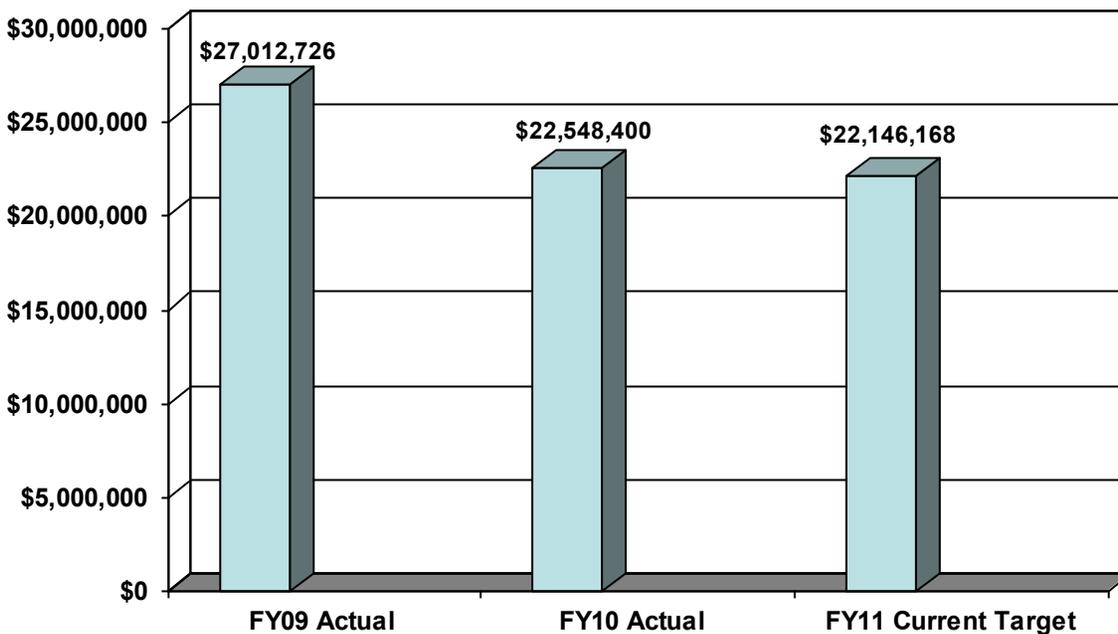
Fiscal Narrative

The recession continued to have a significant impact in FY2010. In addition to the almost 10% in reductions taken during the course of FY09, L&I's budget contracted again in FY10. The Department's budget contracted by an addition \$2,722,708, or 10.1% in FY2010. This reduction was realized by eliminating vacant positions and by reducing funding for the demolition of imminently dangerous properties. The reduction of imminently dangerous demolition funding was offset by funding from the commercial corridor bond issue.

L&I General Fund Budget (FY2009—FY2011)

	FY09 Actual	FY10 Adopted Budget	FY10 Target	FY10 Actual	Difference Target vs. Actual	FY11 Current Target
<u>Expenditure Class</u>						
Class 100 - Wages	16,560,604	15,141,681	15,352,541	14,061,649	1,290,892	14,710,053
Class 200 – Purchase of Services	9,807,033	8,476,422	8,436,422	8,219,773	216,649	7,132,502
Class 300/400 – Supplies, Equipment	528,532	484,498	384,498	266,978	117,520	303,613
Total	27,012,726	24,102,601	24,173,461	22,548,400	1,625,061	22,146,168

L&I General Fund Budget Comparison (FY2009—FY2011)



2010 FINANCIAL SECTION

L&I Staffing Comparison (FY09-FY11) Number of employees as of 6/30 each fiscal year

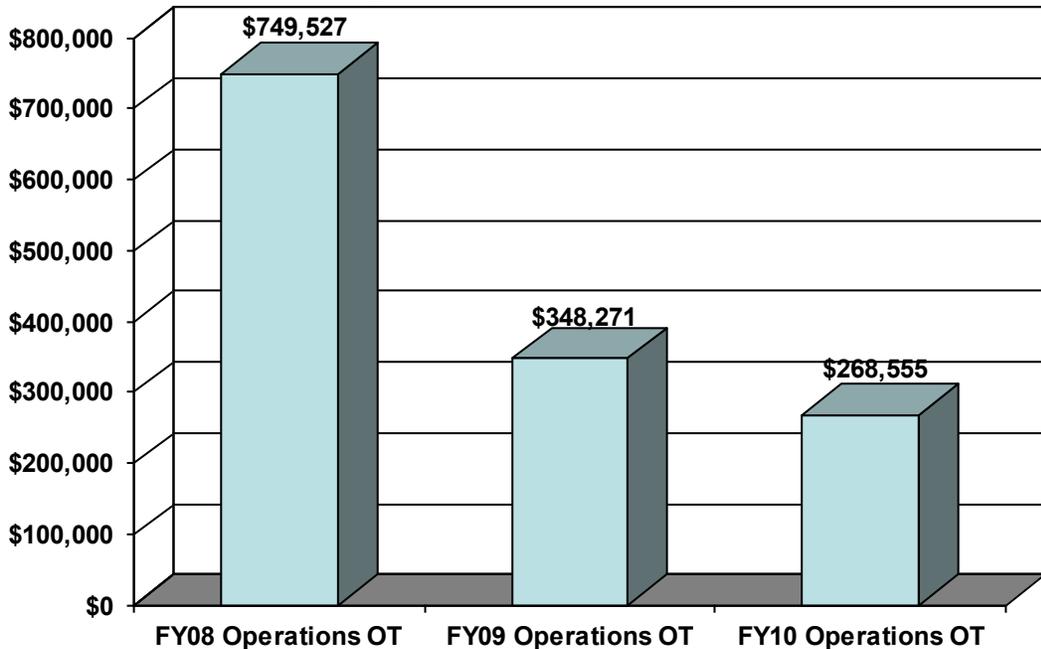
	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
General Fund	361	312	302
Grant Fund	18	17	14
Boards	10	8	8

As a result of continued reductions in the Department’s funding levels, as the above chart shows, the Department made further personnel reductions in FY10. L&I has reduced staffing levels 16.7% since FY08. Despite these reductions, through the hard work of current employees and its commitment to executing its core services, the Department continues to make improvements in service delivery.

Overtime Reduction

In addition to staff reductions, L&I continued to reduce operations overtime spending in FY10. Operations overtime costs were reduced by \$79,716 in FY10, which represents a 22.8% reduction from FY09. Over the past two fiscal years, civilian overtime spending has been reduced from \$749,527 (FY08) to \$268,555 (FY10), which represents a 64% cumulative reduction.

L&I Operations Overtime Costs (FY08-FY10)



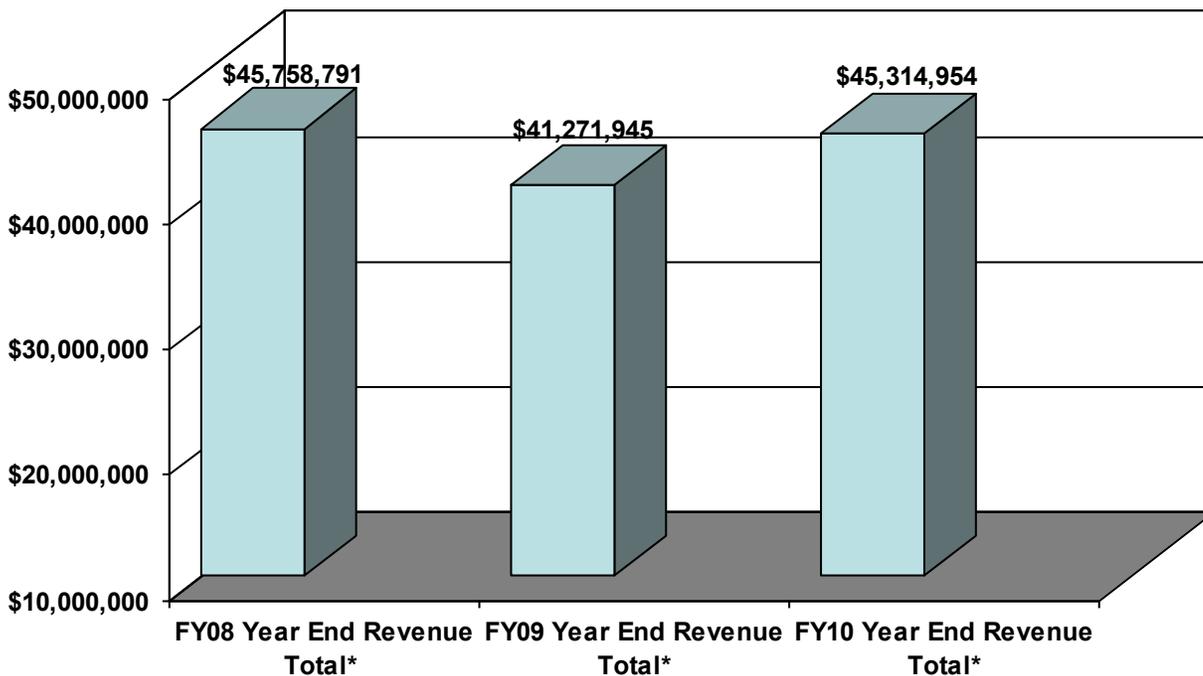
Please note: Operations overtime does not include accelerated review overtime.

2010 FINANCIAL SECTION

Revenue Trends

While the recession continued, L&I revenue stabilized and increased slightly year-over-year in FY10. During Fiscal Year FY10, the department experienced revenue growth in several areas including Housing Inspection Licenses (HIL), Certification Statements and Business Privilege Licenses (BPL). There was a 31.14% increase in HIL revenue in FY10 as compared to FY09. There was also a 16.73% increase in revenue from the sale of certification statements and a 23.64% increase in BPL revenue. Increases in these areas can be attributed to programs that were conducted during FY10 such as the condominium amnesty program and the PGW landlord program. The Federal tax credit for homeowners purchase likely spurred real estate certification. Other L&I revenue sources such as building permits, electrical permits and plumbing permits remained around FY09 levels or showed a slight decrease. The Department's proactive program inspections for non-licensed multi-unit dwellings throughout the city, the number of property owners obtaining licenses has increased.

Fiscal Year L&I Revenue Totals (FY08 - FY10)



RECOVERY FUNDING

In FY10, the Department received funding through the American Recovery and Reinvestment Act (ARRA). Listed below are specific grant details, including grant amounts and a description of how the department used this funding in FY10.

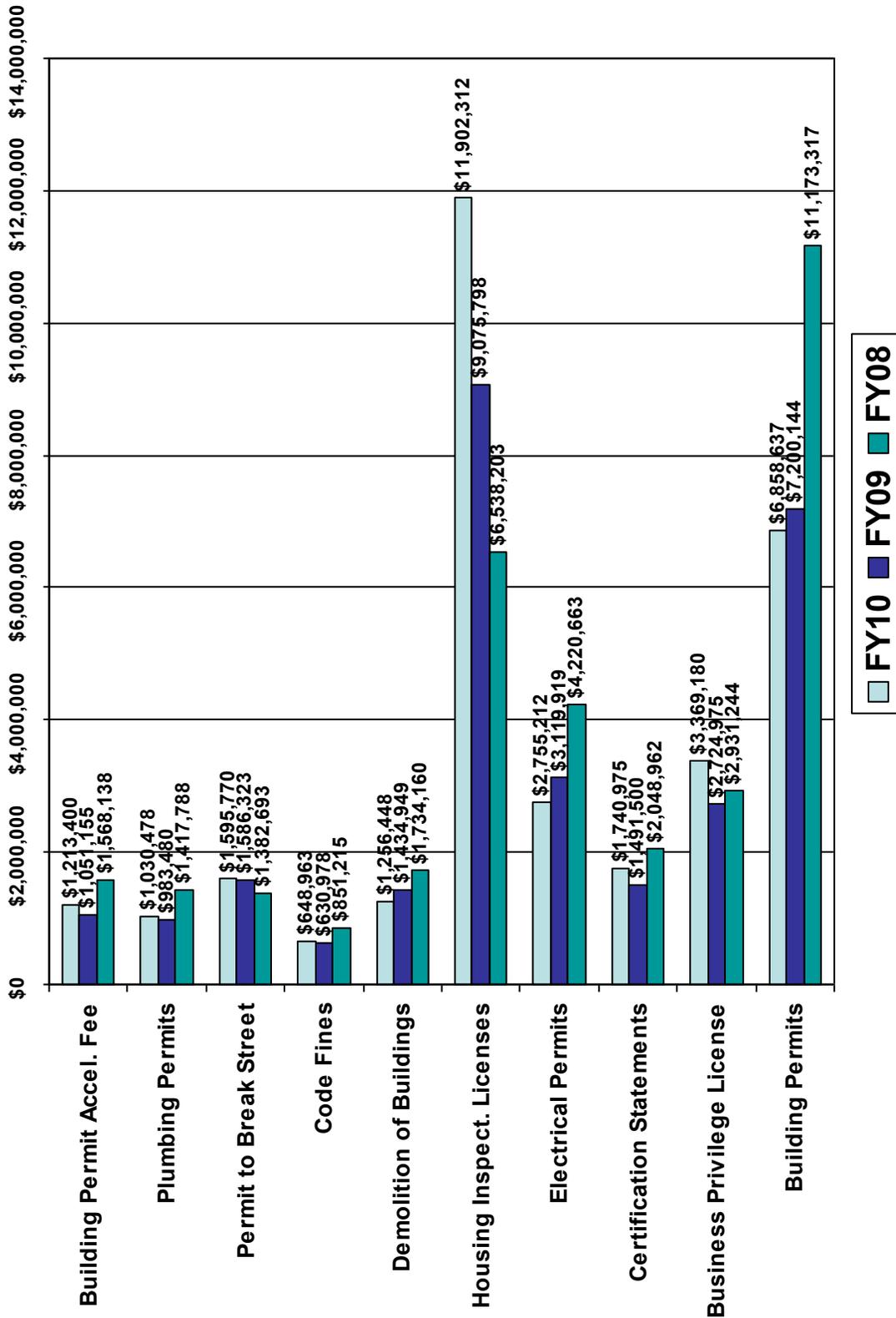
ARRA Edward Byrne Grant – This \$420,000 grant allowed the department to hire 12 temporary Clean & Seal workers in September 2009 for a one year assignment. Through June 30, 2009, the temporary crews have performed work on 738 properties. Work performed has included such activities as lot cleanups, exterior or interior clean-outs of properties and full cleaning and sealing of properties. This grant will extend into FY11 and will allow the department to hire 5 additional temporary staff in the Clean & Seal Unit.

ARRA Energy Efficiency Conservation Block Grant (EECBG) - This \$300,000 grant funded a variety of technical training programs during the course of FY09 such as *GreenAdvantage* training, *Building & Fire Academy* training, *LEED* certifications and a variety of code books and training manuals. This grant will also continue into FY11.

COMMERCIAL CORRIDOR BOND

In FY10, the department received \$1,700,000 in funding to demolish unsafe and/or imminently dangerous properties on commercial corridors to help create parcels for commercial, mixed-use, or open space development. In FY10, the department was able to demolish a total of 96 properties through this initiative.

2010 FINANCIAL SECTION



2010 ANNUAL REPORT

2010 FISCAL PERFORMANCE MEASURES

2010 ANNUAL REPORT

Performance Measure	July	August	September	October	November	December	January	February	March	April	May	June	Total or Average
<u>Operations</u>													
<u>Cleaning & Sealing</u>													
Number of Buildings Cleaned and Sealed	96	96	101	201	109	134	115	84	141	134	114	145	1,470
<u>Emergency Inspections & Abateements</u>													
Number of Building Inspectors	7	7	7	8	8	8	8	8	8	8	8	8	8
Number of Dangerous Building Inspections	1,793	2,086	2,300	1,721	2,561	1,780	1,834	1,548	2,000	1,099	1,018	865	20,605
<u>Curbside Demolition</u>													
# of Residential Buildings Demolished	18	15	35	34	15	11	58	10	48	111	47	77	479
Commercial Corridor Demolitions													96
<u>Housing</u>													
Number of Inspectors Reporting	28	24	24	28	28	28	28	28	25	25	24	24	24
Total Inspections	1,951	1,165	1,551	3,379	3,114	2,734	2,947	2,236	3,782	4,809	6,212	6,663	40,543
Original Inspections	1,856	1,165	1,183	1,868	1,615	1,659	1,515	1,103	1,748	2,866	3,919	4,120	24,617
Re-Inspections	95	0	368	1,511	1,499	1,075	1,432	1,133	2,034	1,943	2,293	2,543	15,926
<u>Business Compliance</u>													
Number of Inspectors Reporting	13	13	13	13	13	13	13	13	13	13	13	13	13
Total Inspections	2,023	1,562	1,880	1,545	1,540	1,205	1,471	1,025	1,994	1,552	1,663	1,210	18,670
Original Inspections	1,275	1,066	1,368	983	1,094	736	758	501	980	981	649	569	10,960
Re-Inspections	748	496	512	562	446	469	713	524	1,014	571	1,014	641	7,710
<u>Commercial & Industrial Fire Inspections</u>													
Number of Inspectors Reporting	15	14	14	13	13	13	13	13	13	13	13	13	14
Total Inspections	5,593	3,123	3,850	4,671	3,383	2,989	2,909	2,082	3,412	3,137	1,871	2,320	39,340
Original Inspections	910	911	1,123	1,195	961	749	566	560	1,000	1,250	616	1,063	10,904
Re-Inspections	4,683	2,212	2,727	3,476	2,422	2,240	2,343	1,522	2,412	1,887	1,255	1,257	28,436
<u>Fire Permits</u>													
Permits Issued	35	44	56	96	33	27	26	12	45	88	145	83	690

2010 FISCAL PERFORMANCE MEASURES

Performance Measure	July	August	September	October	November	December	January	February	March	April	May	June	Total or Average
Permit Administration													0
Building Permits													
Number of Building Code Inspectors	32	30	30	30	30	30	30	30	30	31	31	31	
Number of Building Code Inspections	7,843	7,286	7,330	6,630	7,025	7,016	6,938	5,517	6,596	7,720	6,625	7,146	83,672
Number of Regular Permits Issued	1,198	1,060	1,087	1,144	848	989	806	664	1,249	1,423	1,266	1,521	13,255
Number of Fast Form Permits Issued/web permits.	122	87	119	122	99	51	86	40	1				727
Plumbing Permits													
Number of Plumbing Permits Issued	839	801	808	754	801	848	777	647	1,043	992	832	991	10,133
Electrical Permits													
Number of Electrical Inspectors	2	2	2	2	2	2	1	1	1	1	1	1	1
Number of Electrical Permit Inspections 701	310	185	287	310	235	247	220	114	176	186	154	132	2,556
Number of Electrical Permits Issued	541	506	511	593	485	523	583	532	685	629	710	676	6,974
Zoning Permits													
Permits Issued	579	505	498	568	400	492	441	441	570	490	512	658	6,154
L&I Review Board													
Hearings	99	114	129	117	102	122	98	105	138	101	114	151	1,390
Building Standards													
Hearings	4	9	18	4	3	4	15	10	6	9	9	18	109
Zoning Board of Adjustment													
Hearings	187	201	117	133	97	159	127	128	163	118	126	142	1,698

2010 ANNUAL REPORT

311 PERFORMANCE

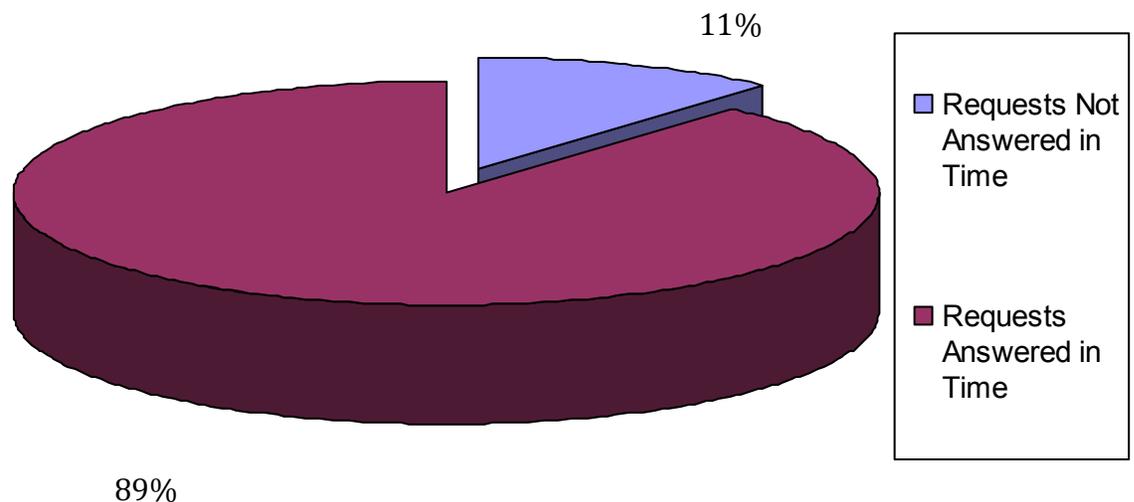
L&I became the first City department to consolidate its call center operations into 311, the City's new number for information and service requests. This allowed the Department to better serve its customers by improving the rate of telephone response and centralizing the collection and dissemination of information.

311 call-takers are able to electronically connect to the L&I work order system. This allows them to both lodge service requests and update callers on the status of their requests.

311 is also an important accountability system for the Department. Service requests now flow through on single, centralized point making it easier for the Department to allocate resources more efficiently and speed service delivery to customers. Also, 311 call-takers inform customers of the amount of time in which they should expect the Department to accomplish their request. This deadline for the task to be completed is a useful metric for customer to judge the Department's effectiveness and for the Department to track its improvement.

L&I met its goal for provision of service almost 90% of the time in FY10. The vast majority of customers who contacted 311 for service from L&I, received it in a timely manner. 311 received almost 90,000 calls and more than 23,500 service requests regarding L&I matters in FY10.

Percentage of Service Requests Answered in the Specified Amount of Time



In FY11, L&I will pursue goals consistent with the core values that framed FY09 and FY10. We hope to move beyond fixing the basics to measuring our effectiveness in code enforcement, determining how best to deliver outcome based service, improving the customer experience and streamlining Departmental processes.

High Level of Accountability

- *Implement Full Scale Performance Management System:* The Department will work towards a sustainable performance management system. The Department will expand to all units for measurement; hold monthly internal performance management meetings and work on outcome based reporting.
- *Implement Re-review Measurement for Plan Review:* With initial review times steadily measured on a monthly basis, the Department is moving to a second internal measurement for the amount of time to produce re-review of building plans. Incomplete applications are usually determined after the initial review and therefore applicants are required to provide additional information to process the review. Measuring re-review will ensure the Department is diligent in handling the workload and we hold ourselves accountable to second reviews of plans. It also will enable the Department to fully communicate expectations and the full process outcome.

Focus on the Customer

- *Institute Project Manager Model for Plan Review:* In FY09 and FY10, plans examiners were trained in both building and zoning code review. In FY11, the Department hopes to streamline the system further by moving the plan review process to a project manager model so that customers will have one point of contact for both building and zoning review.
- *Community Education and Outreach:* The Department will focus on stronger community education and outreach to better update Philadelphians on the Department's goals and actions. The Department will offer a form educational series, "Building a Better Permitting Process," for members of the American Architect Association, high volume users, and other stakeholders. The Department will begin holding two stakeholder meetings per year to get customer feedback, which will be used to drive customer focused improvements. The Department will set an annual schedule to provide educational messages throughout neighborhoods in the city.
- *Improving Consistency:* In FY11, L&I will continue to work on standardizing the customer service experience and developing protocol for greeting customers. The Department may form an escalation team to handle issues and questions that are at a higher level than basic knowledge and service requests through 311.

FY11 VISION & GOALS

Results Driven

- *Effectiveness of Code Enforcement:* The Department will look for measures that more accurately capture compliance and code enforcement outcomes. Measuring compliance rates after first, second, and third notice of violation are key to the Department's ability to understand if its enforcement tactics are effective.
- *Leveraging Technology:* L&I, in conjunction with the Department of Technology, will work to create and implement an online license and permit wizard that enables customers to purchase and receive the majority of licenses and permits online. The Department will also embark on a partnership with the University of Pennsylvania to create an online database of violations.
- *Making Neighborhoods Safer:* L&I will participate fully and enthusiastically in the efforts by the Managing Director and Finance Director to coordinate a vacant property strategy.

Professional Culture

- *Produce Simple and Cohesive Applications, Forms and Instructions:* L&I will work to simplify the Department's communication – forms, applications and instructions. The goal is to provide the user with simple, clear and consistent requirements. By the end of FY11, L&I will have a set of new materials with consistent and uniform look and feel. This has the potential to be a transformative effort.
- *Revamp Notice of Violation:* The Department will revamp its violation notices to clarify the language and content. Currently, violation notices are written in a very technical prose.
- *Leadership Development:* The Department will create a leadership development program to foster learning, succession planning and leadership skills. In addition, all managers and supervisors will participate in a pro bono collaboration with the University of Pennsylvania to unify and introduce provoking techniques for leadership.

MISSION STATEMENT

The mission of the Department of License and Inspections (L&I) is to administer and enforce the City's code requirements for the enhancement of public safety, including building, fire, health, housing, business and zoning regulations. The Department is responsible for regulating the conduct of businesses and persons by issuing licenses, by conducting inspections and by enforcing applicable codes and regulations.

The Department also has the authority to take the lawful actions necessary to correct dangerous and unlawful conditions, including making necessary emergency repairs to properties, cleaning and sealing abandoned buildings and demolishing vacant buildings that pose a threat to public safety. At its core, the Department exists to enforce the Philadelphia code. Through education and enforcement of the code, the Department protects the citizens of Philadelphia.

