
PERFORMANCE AUDIT OF THE DEVELOPMENT SERVICES DEPARTMENT'S CODE ENFORCEMENT DIVISION

Finding 1: Code Enforcement does not meet response time goals and thus does not assess the nature and severity of code enforcement complaints in a timely manner.

Finding 2: Staffing imbalances and Code Enforcement's underuse of case management tools contribute to inconsistent application of policies and a risk that violations persist.

Finding 3: Code Enforcement's Accela data and performance metric reporting does not accurately reflect case progress or results.

**Office of the
City Auditor**

City of San Diego



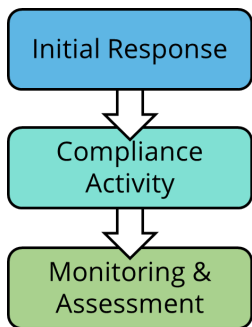
Performance Audit of the Code Enforcement Division

Why OCA Did This Study

The City of San Diego conducts code enforcement activities to ensure, improve, and maintain safe and desirable San Diego neighborhoods. We conducted this audit to determine whether the Code Enforcement Division (“Code Enforcement”) (1) Obtains and uses accurate and reliable data to inform operational decisions; (2) Optimizes compliance timeframes; and (3) Enforces policies and practices equitably and consistently across the City.

What OCA Found

As shown below, conducting code enforcement activities effectively requires three key components.

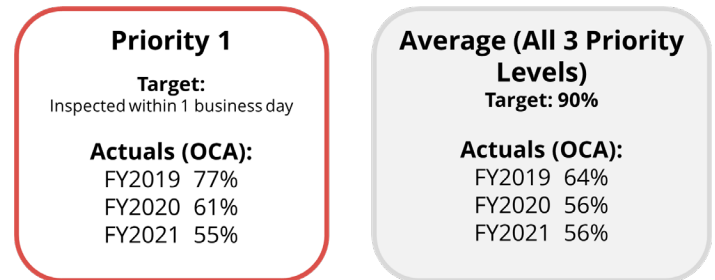


Source: OCA generated based on audit findings.

Code Enforcement has made notable progress since our last audit in 2015, including implementation of the Accela case management system. However, we found significant problems including high workloads, underuse of case management tools, and data inaccuracies. Combined, these problems lead to several performance issues, including slow response times, delayed resolution of some violations, and a large and growing case backlog. In addition, the Mayor, City Council, and the public do not have accurate information about Code Enforcement’s true performance.

Finding 1: A timely response to higher-priority cases is critical to assess the nature and severity of any violations and protect health and safety. We found Code Enforcement has consistently fallen short of their goal to inspect 90 percent of cases within its

established target number of business days. Specifically, Code Enforcement only responded to 64 percent of possible violations on-time in FY2019, which declined to 56 percent in FY2021, as shown below.



Source: OCA generated based on data from Code Enforcement’s Accela database, Fiscal Year 2019 through Fiscal Year 2021.

Priority 1 cases pose imminent health and safety hazards and include complaint types like leaking sewage and live, exposed electrical wires. Because such violations pose imminent health and safety hazards, Code Enforcement’s goal is to inspect such complaints within 1 business day. While only between 55 and 77 percent of Priority 1 cases were inspected on-time in FY2019 through FY2021, late inspections were typically conducted within 3 business days. However, 36 cases were not initially inspected for more than 20 days or were missing an inspection at the time of our audit. This indicates that cases can fall through the cracks and violations that potentially threaten health and safety are not always assessed quickly.

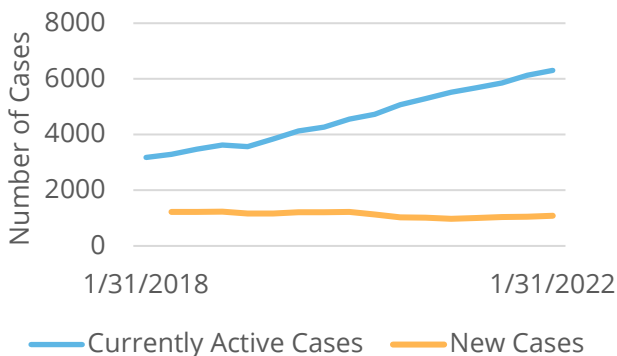
While supervisors are supposed to identify patterns of missing or late inspections, we found they lack the necessary report from the case management system to do so. We also found that San Diego Code Enforcement has fewer staff and a smaller budget per capita than other California agencies, which contributes to high caseloads.

Finding 2: Once investigators identify a violation, they can use the extensive options in Code Enforcement’s Procedures Manual to gain compliance, including notices, follow-up inspections, and fines or penalties. We found that investigators do not consistently follow

steps described in the Procedures Manual at different stages in the enforcement process. Specifically:

- Some cases have been active for over 600 days without a written notice issued to the property owner;
- A significant percentage of active cases with Civil Penalty Notices and Orders have not received follow-up inspections;
- Investigators have not updated many active cases for over 365 days; and
- The City missed opportunities to recover over half a million dollars for follow-up inspections by not issuing required re-inspection fees.

Furthermore, we found that a staffing imbalance between zoning and building investigators likely results in delays in achieving compliance, and that vacancies and declining staff experience contribute to high caseloads. The combination of these staffing issues and longer compliance time frames result in a perpetually growing backlog of cases, shown below.



Source: OCA generated based on data from Code Enforcement’s Accela database obtained February 15, 2022.

Investigators and management could limit these persistent violations by better utilizing case management tools. Currently, supervisory review of long-term and difficult cases happens on an ad hoc basis. Accessible tools—like reports to identify the last update on a case and fields to record issuance of a re-inspection fee—could lead to more effective supervision and better adherence to procedures.

Finding 3: Maintaining reliable and accurate data is necessary so that City decision-makers can align resources and manage performance. We found that

the Development Services Department’s methodology to calculate Code Enforcement’s response time goal metrics is incomplete and overstates actual performance by 13 to 28 percentage points. Additionally, we found that several Accela fields have significant errors and that Code Enforcement’s supervisory review does not sufficiently ensure the accuracy of entered data.

Other Pertinent Information: We also analyzed Code Enforcement activities to determine if inequitable treatment of certain populations is occurring. However, we did not find any significant relationships between demographic information and fines or response time.

What OCA Recommends

We made 10 recommendations to improve code enforcement operations, and management agreed to implement all 10. Key recommendations include to:

- Re-Implement a Voluntary Compliance Program to reduce the number of low-priority cases that investigators need to inspect;
- Establish a Key Performance Indicator (KPI) for optimal average caseload for building and zoning investigators to better demonstrate resource needs;
- Improve investigator efficiency by creating new Accela fields and requiring investigators to enter upcoming tasks into Accela;
- Update Code Enforcement’s Procedures Manual, develop and use Accela tools like reports or online dashboards, and require regular, systemic supervisory review to help management monitor case status;
- Create and use a report that accurately measures Code Enforcement’s progress on its KPI for initial response times; and
- Create a checklist for online case files and require Code Enforcement management to conduct periodic audits of investigator cases.

For more information, contact Andy Hanau, City Auditor at (619) 533-3165 or cityauditor@sandiego.gov.



THE CITY OF SAN DIEGO

June 9, 2022

Honorable Mayor, City Council, and Audit Committee Members
City of San Diego, California

Transmitted herewith is a performance audit report of the Development Services Department's Code Enforcement Division. This report was conducted in accordance with the City Auditor's Fiscal Year 2022 Audit Work Plan, and the report is presented in accordance with City Charter Section 39.2. Audit Objectives, Scope, and Methodology are presented in Appendix B. Management's responses to our audit recommendations are presented starting on page 56 of this report.

We would like to thank staff from the Development Services Department for their assistance and cooperation during this audit. All of their valuable time and efforts spent on providing us information is greatly appreciated. The audit staff members responsible for this audit report are Andrew Reeves, Geoffrey Teal, and Luis Briseño.

Respectfully submitted,

Andy Hanau
City Auditor

cc: Honorable City Attorney, Mara Elliott
Jay Goldstone, Chief Operating Officer
Kris McFadden, Interim Deputy Chief Operating Officer
Christiana Gauger, Chief Compliance Officer
Elyse Lowe, Director, Development Services Department
JC Thomas, Assistant Director, Development Services Department
Gary Geiler, Assistant Director, Development Services Department
Leslie Sennett, Deputy Director, Development Services Department
Charles Modica, Independent Budget Analyst
Paola Avila, Chief of Staff, Office of the Mayor
Jessica Lawrence, Director of Policy, Office of the Mayor



OFFICE OF THE CITY AUDITOR
600 B STREET, SUITE 1350 • SAN DIEGO, CA 92101
PHONE (619) 533-3165 • CityAuditor@sandiego.gov

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Background

The City of San Diego's (City) Code Enforcement Division (Code Enforcement), which is part of the Development Services Department (DSD), states that its goal is to "work in partnership with citizens to ensure, improve, and maintain safe and desirable San Diego neighborhoods." According to Code Enforcement, this is achieved through conducting efficient code enforcement case management, inspecting five percent of mobile home park lots annually, and maintaining and monitoring a registry of foreclosed properties. Code Enforcement investigators and inspectors (investigators)¹ enforce various building and zoning related provisions of the San Diego Municipal Code, as well as applicable State of California Building Standards and Health and Safety codes.

Code Enforcement's field staff are divided into Building and Zoning Investigators.

Code Enforcement divides field staff into Building Investigators and Zoning Investigators.² According to Code Enforcement's Procedures Manual, Building Investigators respond to violations that affect the life-safety, health, and welfare of the public with respect to building construction and maintenance. Zoning Investigators address zoning ordinance violations, which can also affect the health and safety of people but are specific to permitted uses of land and buildings, the intensity or density of such uses, and the bulk (scale) of buildings on the land. As shown in **Exhibit 1**, Building and Zoning Investigators respond to a myriad of municipal code violations.

¹ We refer to all Code Enforcement field staff as "investigators" throughout this report. We also refer to senior field staff (Senior Zoning Investigators and Senior Combination Inspectors) as "seniors" in the report.

² Building Investigator positions consist of Combination Inspector 1 and 2 and Senior Combination Inspector, while Zoning Investigator positions include Zoning Investigator 1 and 2 and Senior Zoning Investigator.

Exhibit 1

Building and Zoning Investigators Respond to Various Municipal Code Violations

Building Cases	Zoning Cases	
Dangerous/Unstable Structures	Abandoned Properties	Medical Marijuana
Inadequate Barriers for Pools/Spas	Adult Entertainment	Recycling Facilities
Infestation	Care/Rehab Facilities	Residential High Occupancy
Landslide – Emergency	Discretionary Permit Violations	Short Term Residential Occupancy
Leaking Sewage	Fence Violations	Short Term Vacation Rentals
Live, Exposed Electrical Wires	Food Trucks	Sidewalk Cafés
Mobile Home Parks	Garage Conversions	Storage/Hoarding
Mold	Historic Demolition	Unpermitted Businesses
Substandard Housing	Historic Sites	Unpermitted Grading
Underground Electrical	Landscaping	
Uninhabitable Living Conditions		
Unpermitted Work		

Source: OCA generated using Code Enforcement's Accela data.

Code Enforcement responds to new cases using a prioritization model.

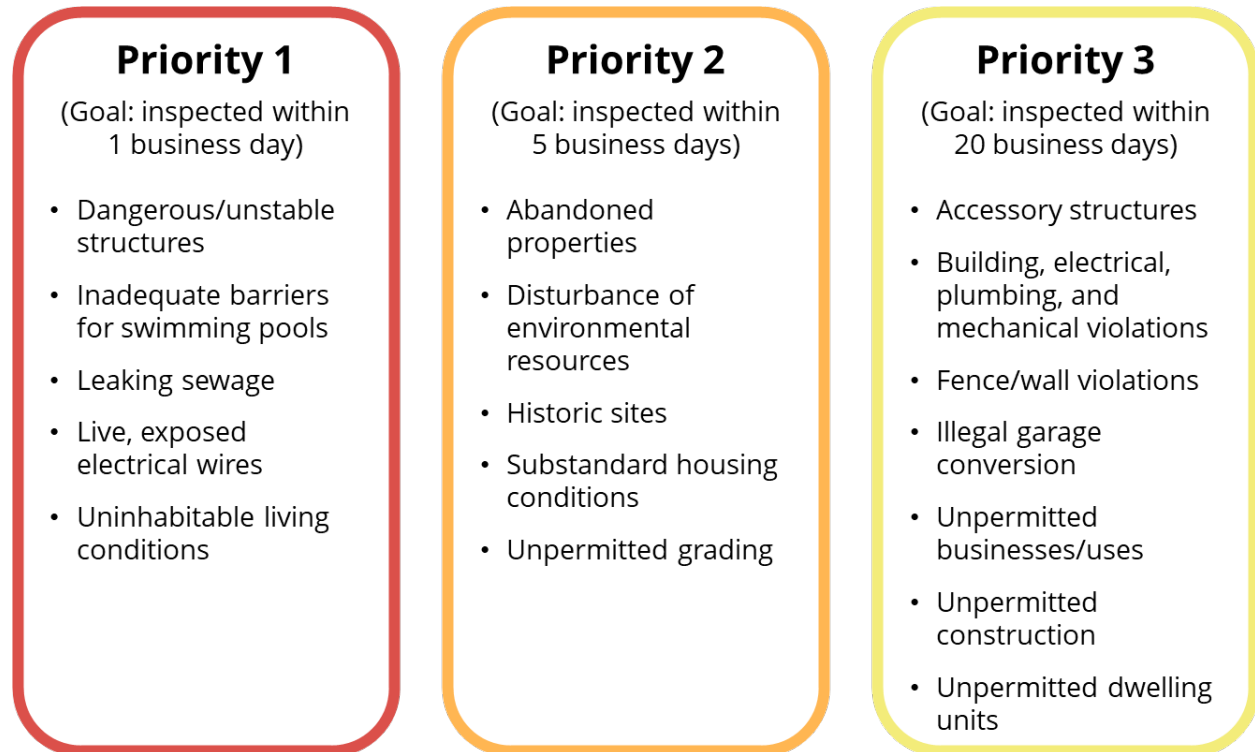
Code Enforcement prioritizes its response to new cases based on the type of complaint:

- Priority 1 cases (3 percent of cases from February 2018 through January 2022) involve violations that pose imminent health and safety hazards;
- Priority 2 cases (17 percent) involve violations that are significant code violations but don't pose an imminent threat; and
- Priority 3 cases (80 percent) involve violations that adversely impact quality of life but do not rise to the level of Priority 1 or 2.

Exhibit 2 shows the different types of code cases by priority and the target response time.

Exhibit 2

Code Enforcement Prioritizes its Response to New Cases Based on Complaint Type



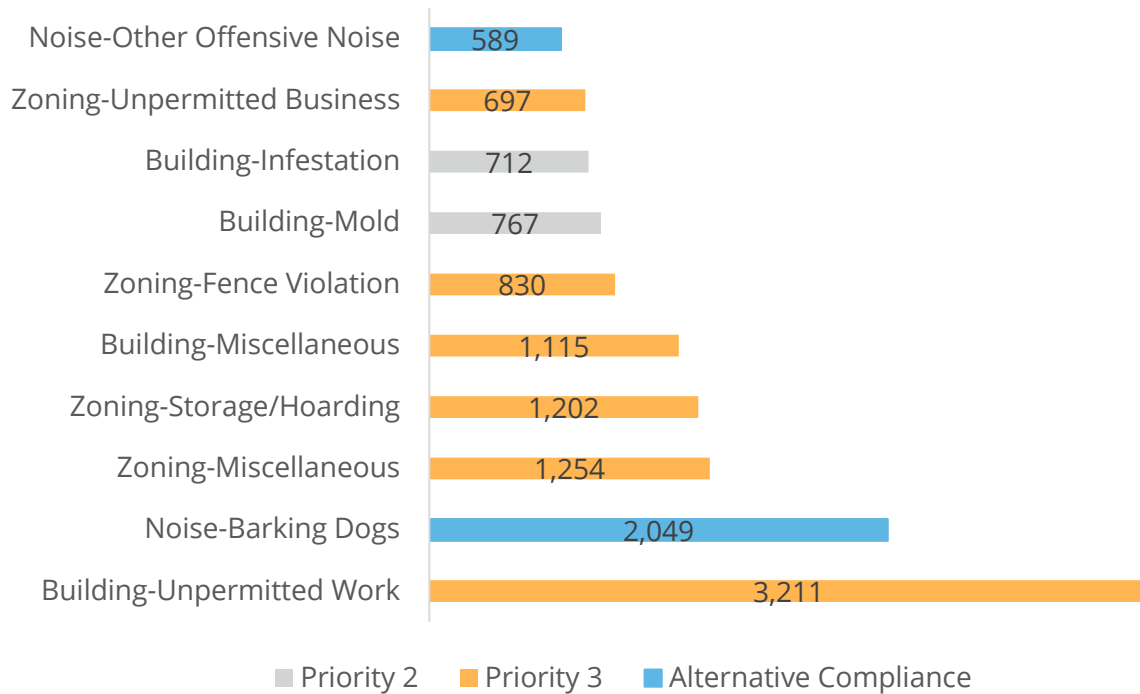
Source: OCA generated based on information on Code Enforcement's website.

Complaints involving barking dogs, garage sales, lighting, noise, parking in the front yard, roosters, signs, or unpermitted street trees fall under Code Enforcement's Alternative Compliance program. Under this program, after staff conduct an initial review of the complaint, Code Enforcement sends a letter to the complainant and the alleged violator detailing the complaint and guidance for resolution. Alternative Compliance letters emphasize discussing these issues as neighbors and provide contact information for the National Conflict Resolution Center to help with mediation efforts.

In the past four years, the highest number of complaints came from reports of unpermitted construction, barking dogs, miscellaneous zoning and building violations, and storage/hoarding. The most common case types are unpermitted businesses and noise complaints about barking dogs, and **Exhibit 3** shows that the top ten most common cases Citywide were all Priority 2 or 3.

Exhibit 3

Unpermitted Work and Barking Dogs were the Most Common Complaints Among the Top 10 Case Types Citywide Between February 2018 and January 2022

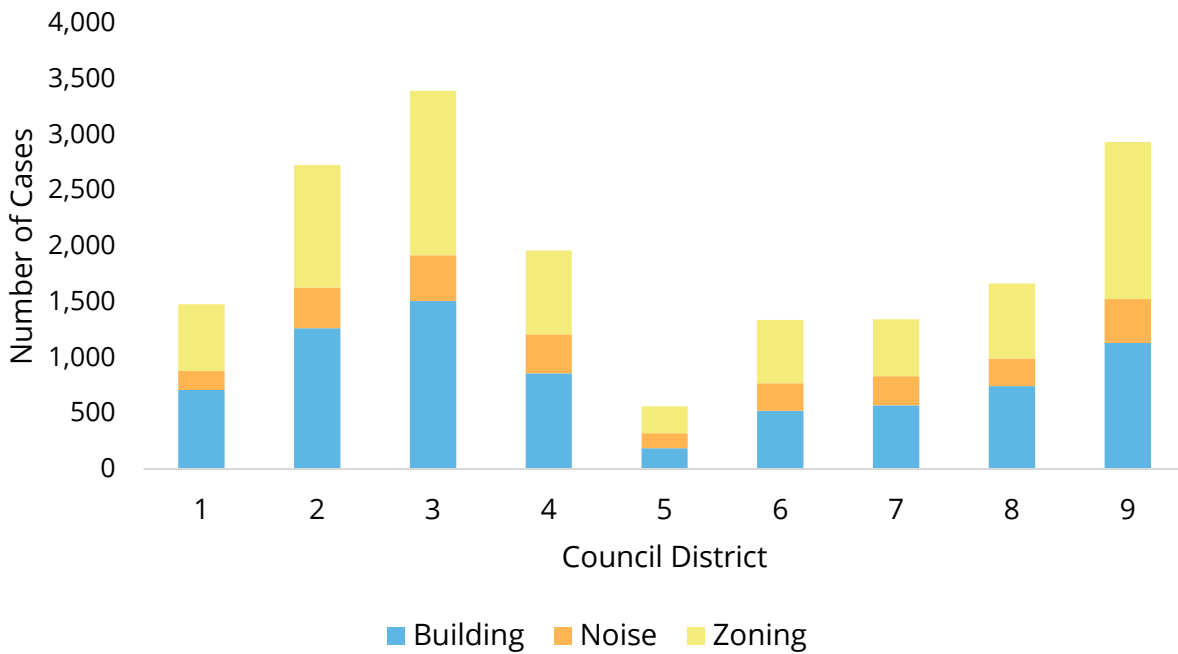


Source: OCA generated based on data from Code Enforcement's Accela database.

The number and type of complaints varied by Council District, as shown in **Exhibit 4**, with most complaints reported between February 2018 and January 2022 originating from Council Districts 2, 3, and 9.

Exhibit 4

Over Half of Code Enforcement Complaints Between February 2018 and January 2022 Originated from Three Council Districts



Source: OCA generated based on data from Code Enforcement's Accela database.

Code Enforcement responds to violations by using different remedial actions to bring the party responsible into compliance with the Municipal Code. Code Enforcement is generally a reactive code enforcement agency, initiating most of its work in response to complaints by residents.

Code Enforcement's FY2023 Proposed Budget includes over \$11 million in department expenditures and 90.5 budgeted positions.

Code Enforcement is funded by the General Fund and by revenues generated from code enforcement activities. **Exhibit 5** shows Code Enforcement's budgeted General Fund spending as described in the Fiscal Year (FY)2023 Proposed Budget. The largest component of this spending is in personnel costs and fringe benefits, which totals over \$11 million in the FY2023 Proposed Budget.

Exhibit 5

Code Enforcement's FY2023 Proposed General Fund Budget Includes an Increase of \$1.9 Million in Budgeted Positions and Expenditures

General Fund

Department Expenditures

	FY2021 Actual	FY2022 Budget	FY2023 Proposed	FY2022-2023 Change
Administration & Support Services	\$ 7,073	\$ -	\$ -	-
Building & Safety	29	-	-	-
Code Enforcement	7,733,122	9,092,254	11,021,473	1,929,219
Total	\$ 7,740,224	\$ 9,092,254	\$ 11,021,473	\$ 1,929,219

Department Personnel

	FY2021 Budget	FY2022 Budget	FY2023 Proposed	FY2022-2023 Change
Code Enforcement	69.00	73.00	90.50	17.50
Total	69.00	73.00	90.50	17.50

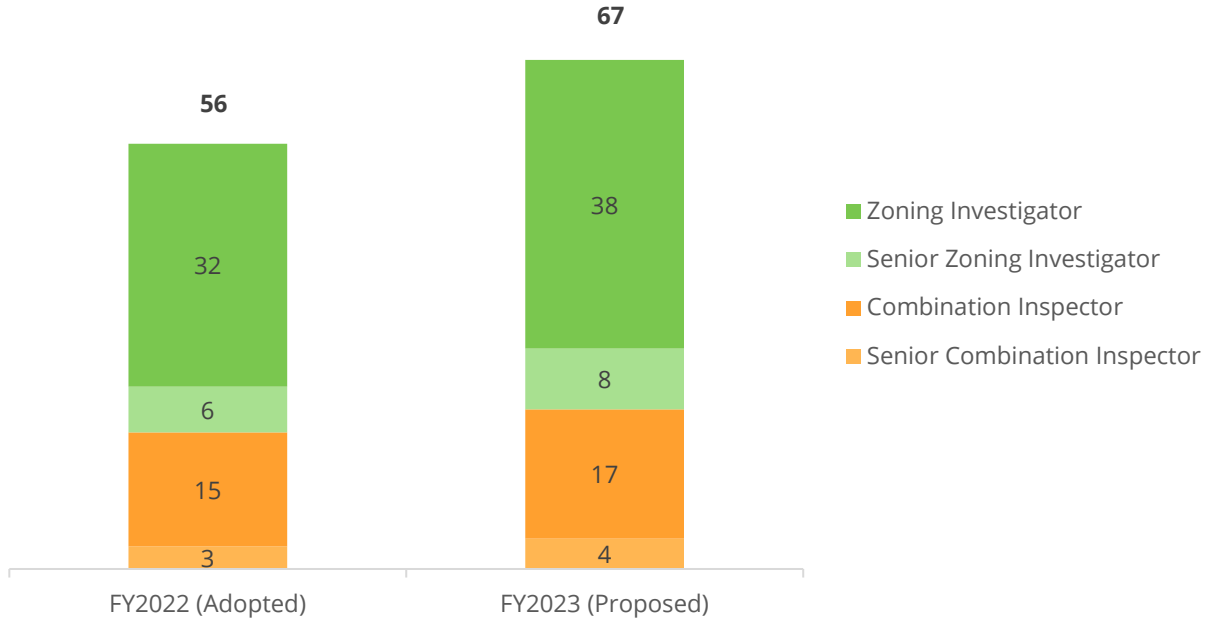
Source: Code Enforcement's FY2023 Proposed Budget.

As shown in **Exhibit 5**, Code Enforcement's FY2023 Proposed Budget includes additional budgeted Full-Time Equivalent (FTE) positions and an increase of almost \$2 million in expenditures. Recently, the City Council passed a Short-Term Residential Occupancy Ordinance and a Sidewalk Vending Ordinance that require Code Enforcement to enforce compliance with these ordinances. As a result, Code Enforcement requested an increase of 8 Zoning Investigator positions in its FY2023 Proposed Budget to support the anticipated increase in zoning-related cases stemming from these additional enforcement responsibilities. Additionally, Code Enforcement requested 3 FTE positions to support a more effective and timely response to substandard housing complaints.

The City's FY2022 Adopted Budget allocated 73 FTE positions to Code Enforcement. These include 56 personnel who are either Combination Inspectors or Zoning Investigators—staff that are directly related to code enforcement activities – as shown in **Exhibit 6**. As of February 1, 2022, 45 of these positions were filled.

Exhibit 6

The Number of Budgeted Code Enforcement Investigators is Expected to Increase in FY2023



Source: OCA generated based on City of San Diego FY2022 Adopted and FY2023 Proposed Budgets.

Code Enforcement operates out of two other funds in addition to the General Fund. First, the Civil Penalty Enforcement Fund, which collected \$473,662 in civil penalty revenue in FY2021, was established to enhance the City's code enforcement efforts. Second, the Nuisance Abatement Superfund, which collected \$94,337 in FY2021, pays for costs associated with administrative and judicial abatements.

Code Enforcement uses penalties and fines as compliance tools.

Code Enforcement management indicated that penalties and fines are just one tool to gain compliance and that their goal is to gain compliance without being punitive. Civil penalties and nuisance abatement are just two of the many different charges, fines, forfeitures, and penalties that Code Enforcement collects. Code Enforcement also collects fees for re-inspection of out-of-compliance properties, penalties from administrative citations, and permits from mobile home parks.

As of March 3, 2022, Code Enforcement had issued invoices for 302 unique cases, which represents 1.7 percent of all cases

opened on or after February 1, 2018 and through January 31, 2022. The invoices totaled \$1,032,825, with the average invoice being \$3,419.

Code Enforcement has made improvements since 2015 audit, but additional performance issues remain.

The Office of the City Auditor (OCA) previously conducted an audit of Code Enforcement in 2015 and found that improvements to the division's procedures, system capabilities, and performance measurement would increase program effectiveness and reduce response times for high-priority cases.

Specifically, the audit found that Code Enforcement was not consistently achieving its priority-based response time goals; data from Code Enforcement's Project Tracking System (PTS) was not reliable for monitoring performance; Code Enforcement's methodology for calculating its performance metric inadvertently overstated the division's performance; and Code Enforcement would ultimately need to replace PTS with a system programmed specifically for code enforcement activities. As a result of the audit, OCA made 12 recommendations that Code Enforcement has since fully implemented, with the last recommendation implemented in November 2018.

Since the audit, Code Enforcement successfully implemented Accela, a case management system tailored to code enforcement purposes. According to Code Enforcement investigators, Accela is more user-friendly than PTS and has allowed the division to move away from paper case files. Code Enforcement deserves recognition for actively participating in the configuring of Accela to ensure that the system includes features and the functionality necessary for code enforcement management.

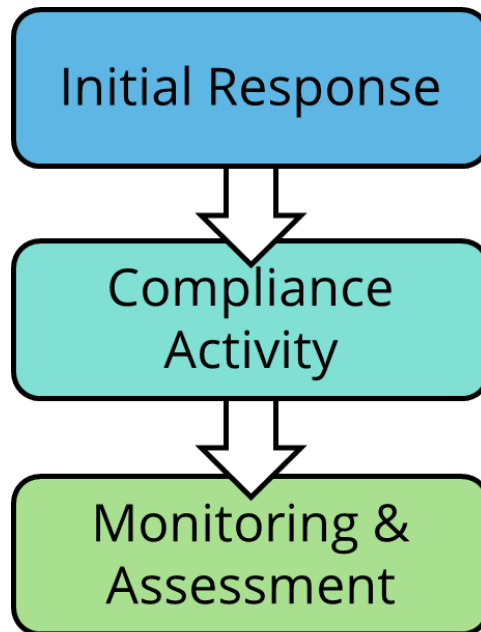
Though Code Enforcement has significantly improved its case management system, during this audit, we found that Code Enforcement continues to struggle in achieving its response time goals, which is discussed in Finding 1, and issuing re-inspection fees per the division's policy, which is one of several performance issues discussed in Finding 2.

The City's response to possible code enforcement violations includes three major steps.

We identified three key components for responding to code enforcement complaints: (1) assessing the nature and severity of the violation through inspection (discussed in Finding 1); (2) using appropriate tools to achieve compliance (discussed in Finding 2); and (3) collecting and analyzing data to effectively oversee the City's response to code enforcement complaints (discussed in Finding 3 and throughout the report). **Exhibit 7** illustrates these components and serves as a roadmap for our findings.

Exhibit 7

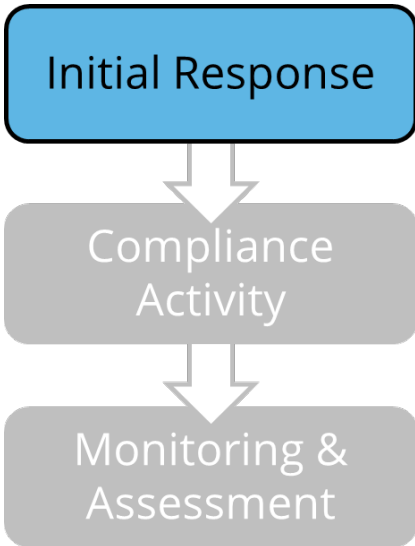
The Code Enforcement Process Involves Conducting Inspections to Identify Code Violations, Choosing Appropriate Remedial Measures to Gain Compliance, and Comprehensive Monitoring of Code Enforcement Activities



Source: OCA generated based on Code Enforcement's Procedures Manual and interviews with Code Enforcement management and staff.

Audit Results

Finding 1: Code Enforcement does not meet response time goals and thus does not assess the nature and severity of code enforcement complaints in a timely manner.



A timely initial response and inspection is critical to assess the nature and severity of an alleged code violation and to determine the steps needed to achieve compliance and protect public health, safety, and welfare. After analyzing data from Code Enforcement's Accela database, we found that Code Enforcement did not consistently meet its response time goal over the past three full fiscal years, with performance trending downward. Specifically, despite Code Enforcement's goal of conducting initial inspections on time for 90 percent of cases, only 56 to 64 percent of cases received an initial inspection on time.³ Additionally, almost one-third of all active cases have not received an inspection.

Code Enforcement management informed us that senior field staff ("seniors") are supposed to hold investigators accountable for cases that have not been inspected and are overdue. However, we found the current Accela report that seniors use to manage investigator caseload does not include those cases. When inspections are late or not conducted, it creates a risk that Code Enforcement is not responding to potentially hazardous violations that impact public health and safety. Therefore, including missing or late inspections in a report could allow seniors to better hold their staff accountable for on-time inspections and minimize the number of cases that do not get inspected for extended periods of time.

In order to inspect all potential violations on time, Code Enforcement needs sufficient staff. We found that, compared to other California cities' code enforcement departments, Code Enforcement strives to identify and correct Municipal Code violations with fewer resources and staff than comparable jurisdictions.

³ We report all inspection results using data from Code Enforcement's Accela case management system. In Finding 3, we report a 12 percent error rate with the Date of First Inspection data field. Using manually corrected data, we found that 7 percent of the testing sample would have shown as having reached the initial response time goal with accurate data. Therefore, the rate of achieving the response time goal is likely higher. However, although fixing the error could help Code Enforcement report higher numbers, it would still leave a significant gap between actual results and the response time goal.

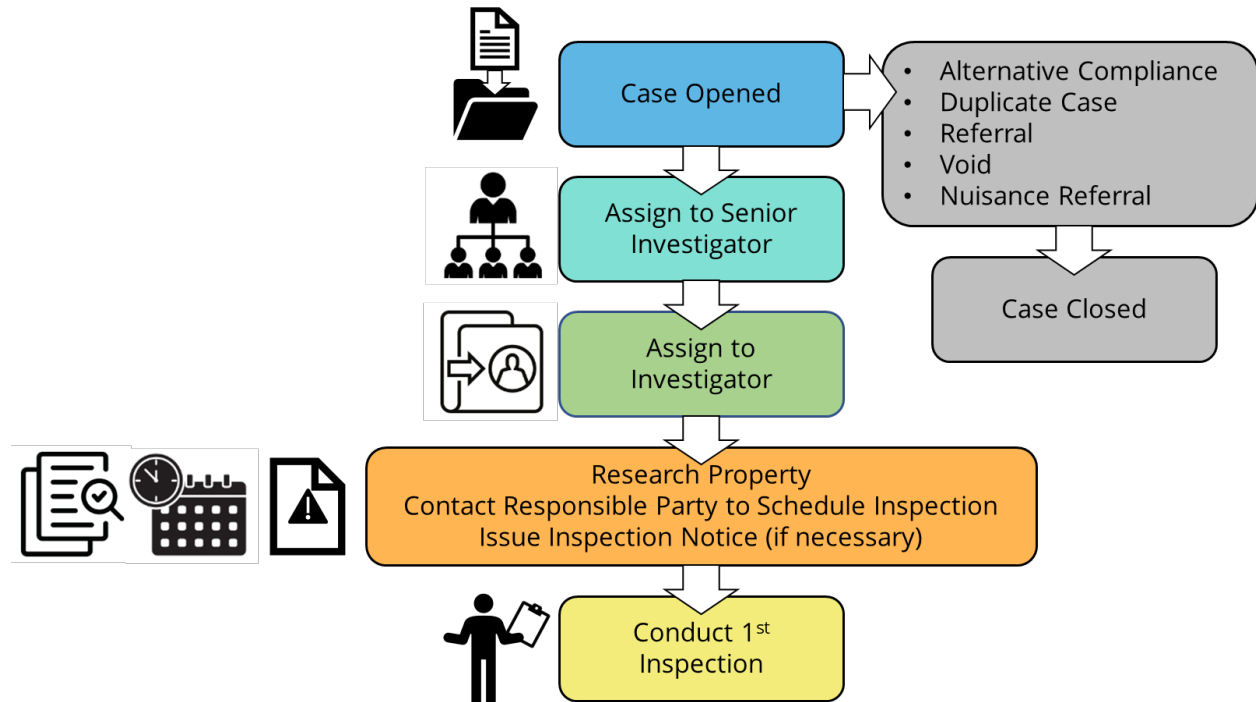
New code enforcement cases should receive an initial inspection.

A typical code enforcement case progresses through several stages before achieving compliance. Upon receiving a code violation complaint, intake staff research the complaint address to determine if a prior case (open or closed) exists at that property; if no prior case exists, staff creates a new case in Accela and a priority level is automatically assigned based on the type of complaint. Alternatively, intake staff may determine that the complaint falls under the purview of a different City department and refer the case to the appropriate department.

Next, intake staff assign the case to a Senior Investigator (senior). If an alleged violation falls into the division's Alternative Compliance Program, seniors verify that the case meets the definition of an Alternative Compliance case and work with intake staff to send an Alternative Compliance letter to the property. For all other case types, seniors assign and forward new cases to a Building or Zoning Investigator (investigator). After receiving a new case, investigators conduct initial research on the case and decide how to best contact the responsible party to schedule an inspection. **Exhibit 8** summarizes the initial stages of a new case.

Exhibit 8

The First Steps of a New Code Enforcement Case Include Assigning the Case, Researching the Property, and Setting Up the First Inspection



Source: OCA generated based on discussions with Code Enforcement staff and Code Enforcement's Procedures Manual.

Code Enforcement is consistently falling short of its stated Key Performance Indicator goal on response times for initial inspections.

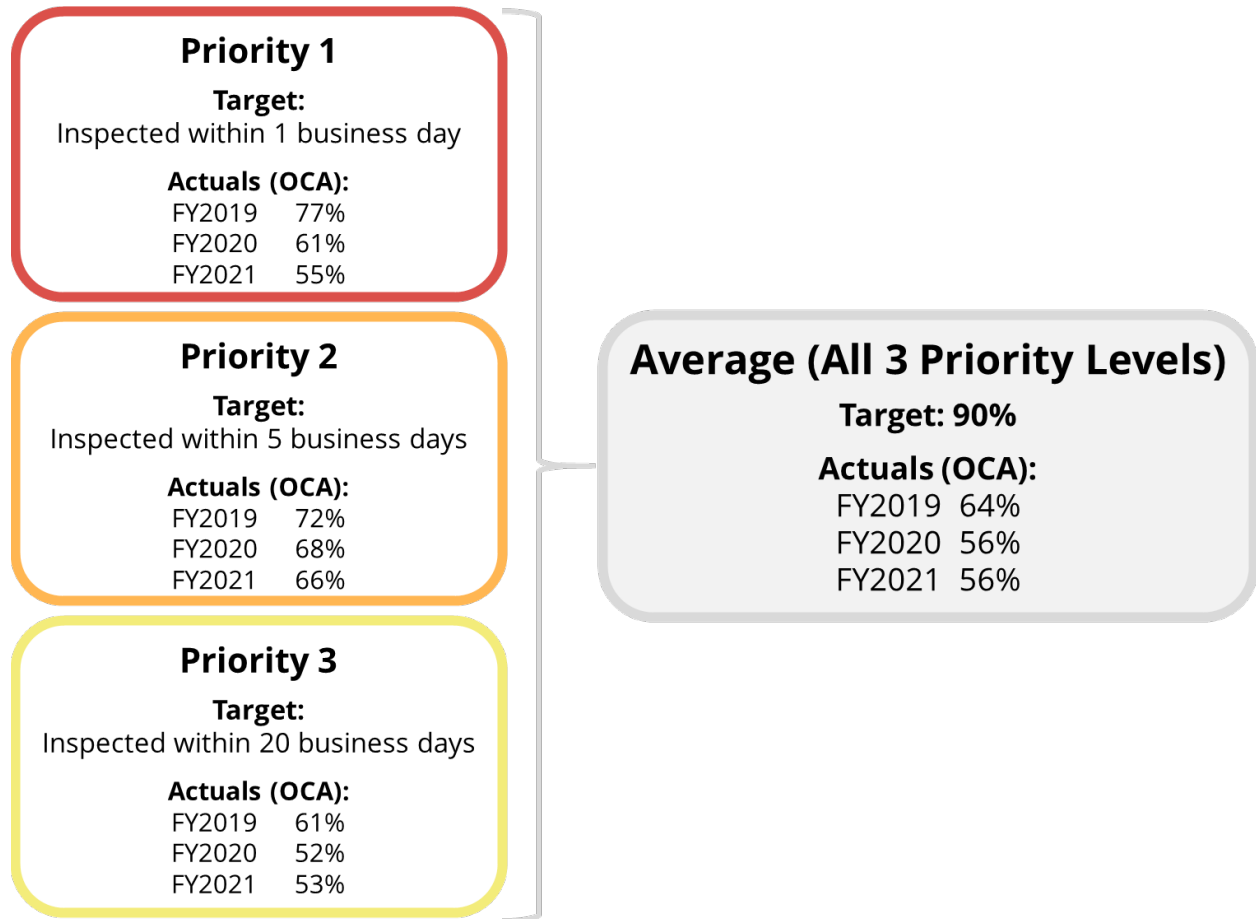
As a Key Performance Indicator in the annual budget, Code Enforcement reports the rate at which it responds to—and completes initial inspections for—new code enforcement cases. We reviewed 7,710 cases that Code Enforcement opened between Fiscal Year (FY)2019 and FY2021. These included cases that received at least one inspection or that were active as of February 16, 2022 without an inspection.⁴ **Exhibit 9** shows that Code Enforcement consistently fell short of its stated goal by 26

⁴ We removed cases that staff closed with any designation other than “Voluntary” or “Involuntary Compliance.” Additionally, we removed case types that may be outside of the regular complaint procedure (i.e. special projects such as Underground Electrical, Medical Marijuana, etc.). Accela does not currently include a field to distinguish these types of special project cases.

to 34 percentage points, with performance on this goal trending downward during our review period.^{5,6}

Exhibit 9

Code Enforcement Has Fallen Short of its Average Response Time Goal by Over 25 Percent



Source: OCA generated based on data from Code Enforcement's Accela database, Fiscal Year 2019 through Fiscal Year 2021.

As shown in **Exhibit 9**, Code Enforcement's goal is to inspect Priority 1 cases within 1 business day, Priority 2 cases within 5 business days, and Priority 3 cases within 20 business days. Although Code Enforcement did not reach its response time goal for Priority 1 cases in those fiscal years, **Exhibit 10** shows that staff inspected 77 percent of Priority 1 cases within 3 business

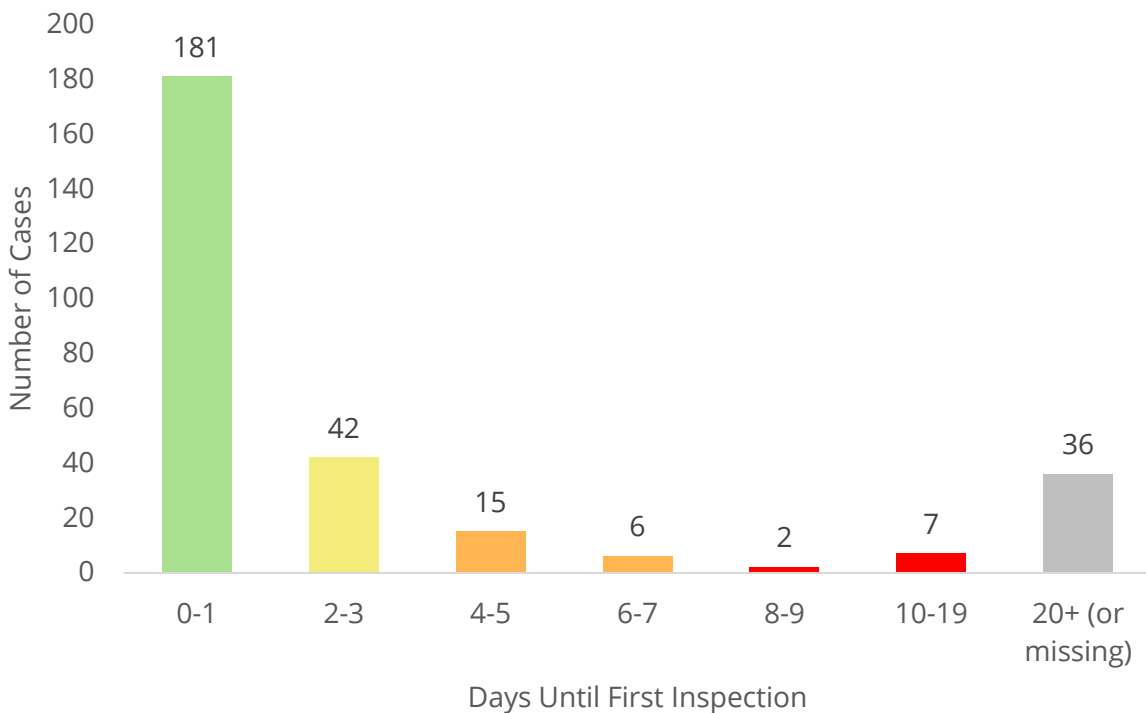
⁵ As previously mentioned, we found errors with the "Date of First Inspection" data field in Accela. See footnote 3 for explanation.

⁶ Code Enforcement reported different results in the City's annual budget documents. We discuss Code Enforcement's methodology and make recommendations to improve the methodology in Finding 3.

days from February 2018 through November 2021.⁷ However, 36 cases took 20 or more days to receive an inspection or were active cases that had not yet had an inspection. Also, we found staff inspected 79 percent of Priority 2 cases within 10 business days, but 218 took 40 or more days or were active cases and had not yet received an inspection.

Exhibit 10

Most Priority 1 Cases were Inspected Within 3 Business Days, but Some Take Much Longer



Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through November 2021.

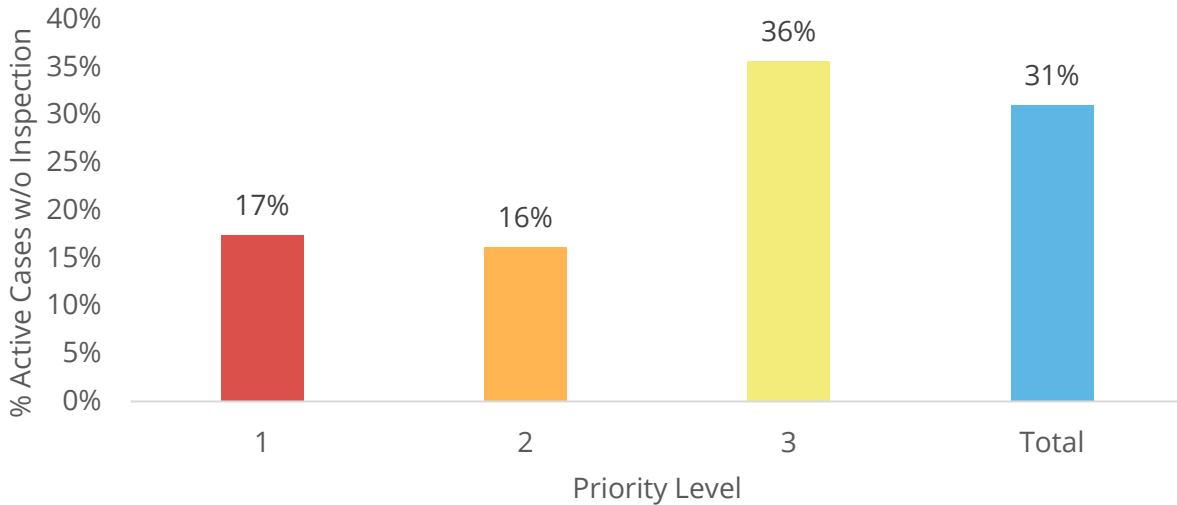
One factor that contributes to the low success rate for response time is when a case does not receive an inspection. **Exhibit 11** shows that, of the cases that were active from February 2018 through November 2021, 31 percent⁸ did not receive an inspection, according to Accela data.

⁷ We used the analysis period on or before November 30, 2021 to allow a lag for cases that were opened between December 1, 2021 and February 1, 2022, since these may have received an inspection on time that was not recorded in Accela.

⁸ Similar to footnote 3, we found 12 of 377 (3 percent) of the cases we sampled were active and received an inspection, but the inspection was not recorded in Accela.

Exhibit 11

Almost One-Third of Active Cases Did Not Have an Inspection



Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through November 2021.

According to Code Enforcement management, they have directed seniors to identify active cases without inspections when they review investigators' case logs. Management stated that they expect seniors to counsel staff on policies and procedures when they notice a pattern of late or missing inspections. However, in practice, a significant number of new/active cases did not have an initial inspection. Although a majority of these were Priority 3 cases (1,389 cases), there were still some Priority 1 cases (28 cases) and Priority 2 cases (177 cases) that were missing inspections. We found that the current Accela report seniors use to manage investigator caseload does not include cases without an inspection and that are overdue for an inspection. Including this in a report could allow seniors to better hold their staff accountable for on-time inspections and minimize the number of cases that do not get inspected for extended periods of time.

To improve performance on its reporting metric, Code Enforcement should ensure all cases receive an inspection and ensure investigators conduct inspections within established response time goals. We make a recommendation to create this report, along with other Accela-related recommendations, at the end of Finding 2.

Priority 1 cases with late inspections or no inspections pose a risk to health and safety.

By not responding promptly to new cases, there is an increased risk to public health and safety for serious violations (Priority 1 cases). As **Exhibit 12** shows, we found several Priority 1 cases that did not receive an initial inspection until several months after the complaint submission. These cases included reports of leaking sewage, faulty electrical wiring, and other substandard housing conditions (see **Exhibit 13**) —all of which meet Priority 1 criteria and require an initial inspection within 1 business day. Though Priority 1 cases are sometimes found to be less serious than initially reported, conducting an initial inspection as quickly as possible is essential to determine whether serious health and safety risks exist in the first place, and, if so, what steps are required to mitigate such risks.

Exhibit 12

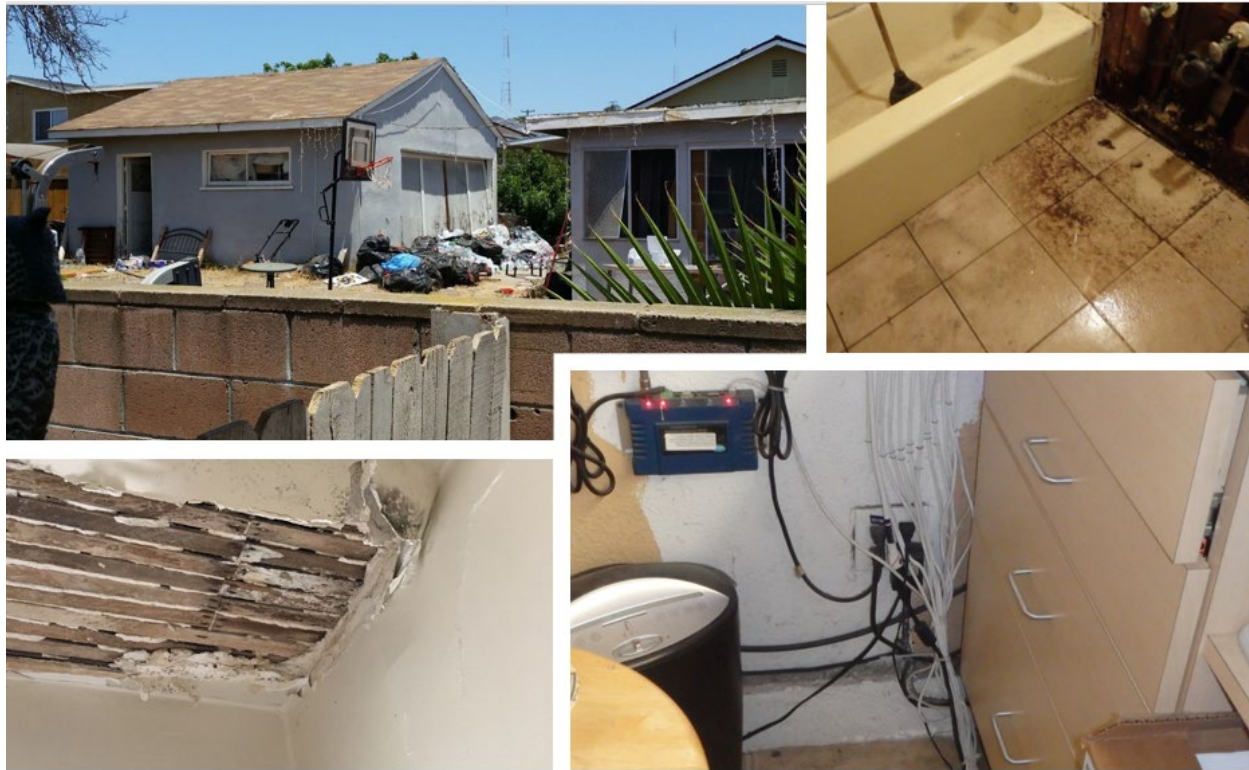
Examples of Priority 1 Cases with Initial Inspection Dates Past the 1 Business Day Response Time Goal

Complaint Type	Case Open Date	Complaint Description	Days Between Case Open Date and First Inspection Date
Leaking Sewage	6/19/2018	Sewage coming from property manager's un-permitted garage unit has backed up and overflowed into the complainant's property.	246
Uninhabitable Living Conditions	7/27/2020	Leaking sewage. Live electricity. Inadequate ventilation. Faulty electricity. Substandard housing conditions.	325
Live, Exposed Electrical Wires	2/7/2020	Unsafe living conditions. Drugs, loose Pitbull dogs. Hot wires outside broken windows. No heating or AC.	263

Source: OCA generated based on data from Code Enforcement's Accela database.

Exhibit 13

Active Priority 1 Cases with Excessively Long Response Times Included Complaints of Leaking Sewage, Exposed Electrical Wires, and Substandard Housing Conditions



Source: Code Enforcement's Accela case files.

In addition to the risk of not responding promptly to new cases, not inspecting cases at all—especially Priority 1 cases—creates similar risks to health and safety.⁹ **Exhibit 14** shows several examples of active Priority 1 cases involving dangerous or unstable structures that have not received any inspection since the case first opened, with the oldest case dating from December 2019.

⁹ Although we found 27 active Priority 1 cases without an inspection, we confirmed with Code Enforcement that 14 of these were accurate in Accela. The 14 cases make up 9 percent of the active Priority 1 cases we analyzed, and Priority 1 cases make up only 3 percent of all active cases. Thus, most active cases are either Priority 2 or 3 and do not pose the high level of risk to public health and safety as Priority 1 cases. We discuss data reliability issues in further detail in Finding 3.

Exhibit 14

Examples of Priority 1 Cases Without an Initial Inspection

Complaint Type	Case Open Date	Complaint Description
Dangerous/Unstable Structures	12/4/2019	New hot water tank installed incorrectly. No drainage, straps, or pan. No fan and no help from management. Concrete floor is severely cracked and crumbling. Signs of mold throughout.
Dangerous/Unstable Structures	12/4/2020	Severe termite problem that is causing the wooden deck above complainant's entrance to fall apart. Deck has missing boards along its path and shakes really bad. Rear stairs have collapsed in a few places, resulting in an injury to a tenant.
Dangerous/Unstable Structures	10/21/2021	Exterior elevated elements posing an immediate threat to occupants.

Source: OCA generated based on data from Code Enforcement's Accela database.

Resource and staffing issues contribute to difficulties in meeting initial response time goals.

Code Enforcement management and investigators both stated that the division does not have enough staff to handle all cases and that recent turnover has contributed to this issue. Until recently, according to the recollection of Code Enforcement management, proposals for new code enforcement-related ordinances have not included analyses of additional staffing needed to effectively enforce the new ordinances.¹⁰ For example, the staff report for the City's emergency ordinance expanding the use of sidewalk cafés (June 2020) did not include any mention of the ordinance's impact on code enforcement activities.

Additionally, we found that Code Enforcement has fewer staff and a smaller budget compared to other California agencies. **Exhibits 15** and **16** show that the City of San Diego ranks last in both expenditures per capita and staffing per capita for neighborhood code enforcement activities relative to other large California cities.

¹⁰ The City's Short-Term Residential Occupancy Ordinance, which the City Council discussed on February 23, 2021, included a request for one additional Program Manager and four additional Code Enforcement Officers. According to Code Enforcement management, this was the first time they could recall that a staff report to City Council specifically requested additional Code Enforcement positions to help enforce an ordinance.

Exhibit 15

The City of San Diego's Budgeted Code Enforcement Expenditures per Resident Rank Last Compared to Other California Cities

City	Population	Budgeted Code Enforcement Expenditures	Budgeted Code Enforcement Expenditures per Resident
Sacramento	515,673	\$11,765,976	\$22.8
Long Beach	462,645	\$7,755,155	\$16.8
Los Angeles	4,010,000	\$64,220,769	\$16.0
Oakland	428,827	\$5,644,860	\$13.2
San Jose	1,028,000	\$11,831,496	\$11.5
San Diego	1,422,420	\$9,092,254	\$6.4

Note: Code Enforcement Expenditures reflect budgeted expenses for the departments, divisions, and/or programs that are primarily responsible for code enforcement activities at each city. This comparison covers most code enforcement activities, including those related to substandard housing, land use, and property maintenance. However, some code enforcement activities may not be included, depending on how each city handles them. For example, expenses for Sacramento, San Jose, Oakland, and Long Beach include enforcement activities related to overgrown vegetation, whereas those for San Diego and Los Angeles do not. While a fully consistent comparison among these cities was not possible, we believe the comparison captured in this exhibit is reasonable nevertheless.

Source: OCA generated based on City of San Diego and other California cities' FY2021 and FY2022 budgets and US Census Bureau population data.

Exhibit 16

The City of San Diego's Budgeted Code Enforcement Staff Levels per 1,000 Population Rank Last Compared to Other California Cities

City	Population	Total Code Enforcement Budgeted Staff	Code Enforcement Budgeted Staff per 1,000 Population
Sacramento	515,673	85	0.16
Long Beach	462,645	50	0.11
San Jose	1,013,240	68	0.07
Los Angeles	4,010,000	266	0.07
Oakland	428,827	23	0.05
San Diego	1,422,420	73	0.05

Note: Code Enforcement staff levels reflect budgeted positions for the departments, divisions, and/or programs that are primarily responsible for code enforcement activities at each city. This comparison covers most code enforcement activities, including those related to substandard housing, land use, and property maintenance. However, some code enforcement activities may not be included, depending on how each city handles them. For example, expenses for Sacramento, San Jose, Oakland, and Long Beach include enforcement activities related to overgrown vegetation, whereas those for San Diego and Los Angeles do not. While a fully consistent comparison among these cities was not possible, we believe the comparison captured in this exhibit is reasonable nevertheless.

Source: OCA generated based on City of San Diego and other California cities' FY2021 and FY2022 budgets and US Census Bureau population data.

When an investigator departs, their cases revert back to their senior to distribute among the rest of the team members. Due to the growing backlog of cases and vacancy rates, which we discuss in Finding 2, a larger number of cases may get transferred each time this happens. A Code Enforcement investigator stated that increased caseloads can cause cases to "get lost in the shuffle." Cases that get lost could result in missing or late inspections, which leads to a higher risk to public health and safety, as previously mentioned.

Code Enforcement should re-implement the Voluntary Compliance Program to lower investigators' initial response workload.

Code Enforcement management informed us that they used to oversee a Voluntary Compliance Program for Priority 3 violations. Under the program, Code Enforcement sent notice letters to both the complainant and the potential violator that outlined alleged violation(s) and the steps required to rectify the violation(s); if Code Enforcement did not hear back from the complainant within 20 days, staff would close the case. If the complainant responded, Code Enforcement would investigate the case. This program was similar to programs the City of Dallas and the City of Sacramento mentioned in our benchmarking interviews. Such programs can help lower the burden of initial inspections on investigators, which allows them to better focus on follow-up inspections and case closures.

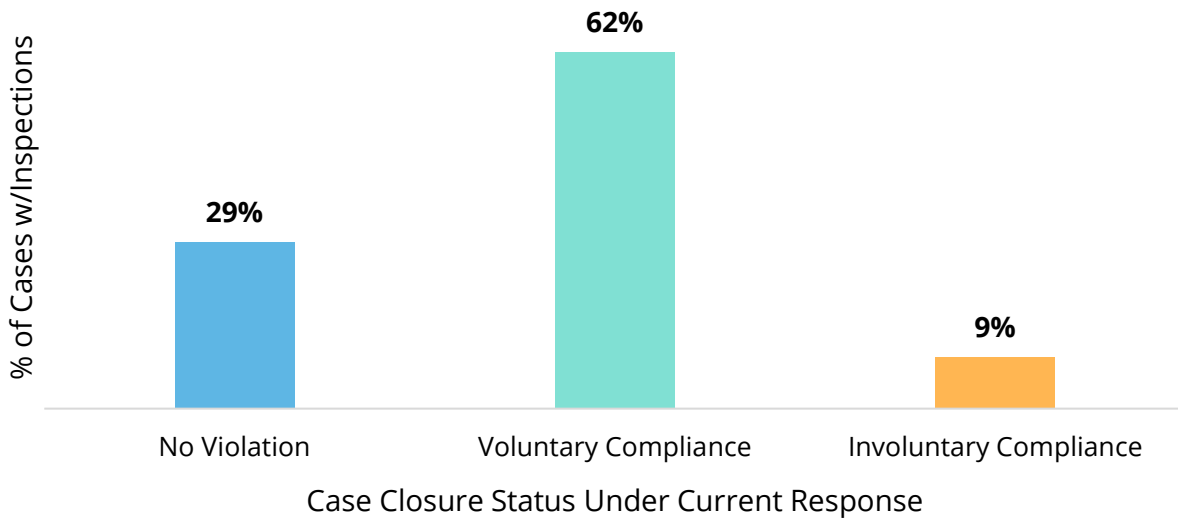
Code Enforcement management indicated they would be supportive of potentially re-starting the Voluntary Compliance Program and provided the following list of case types that would fit well under the program:

- Fences/Walls
- Mobile Food Trucks
- Excessive Storage in Garage
- Outdoor Merchandise Displays
- Outdoor Storage
- Vehicle Repair
- Roosters

When reviewing cases from February 2018 through January 2022, we found 1,254 Priority 3 cases with at least one inspection that could fit into the Voluntary Compliance Program based on the case types listed above. **Exhibit 17** shows that 29 percent of these cases had no violation, 62 percent were complied with voluntarily, and 9 percent ended with involuntary compliance. This indicates that a Voluntary Compliance Program that addresses these lower priority cases could significantly lower investigator workload.

Exhibit 17

Over 90 Percent of Possible Voluntary Compliance Program Cases Could be Closed Without an Inspection



Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through January 2022.

Overall, we found that Code Enforcement needs additional resources and better use of Accela to improve initial response times. In Finding 2, we cover problems beyond the initial response that result in similar recommendations. For simplicity, we placed all recommendations that span both findings at the end of Finding 2.

Recommendation 1

To address the issue of new/active cases not receiving an initial inspection on time or any inspection at all, the Development Services Department should re-implement and update as needed its Voluntary Compliance Program, while also maintaining its current Alternative Compliance Program, to help reduce the total number of new cases that are assigned to investigators.

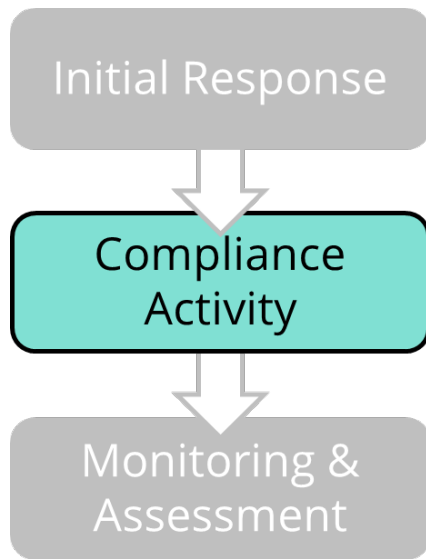
The Voluntary Compliance Program should allow for cases to go through the regular case progression if the complainant is not satisfied or if the violation persists. The Code Enforcement Division could use this procedure to respond to low-priority cases that involve the following case types:

- Fences/Walls

- Mobile Food Trucks
- Excessive Storage in Garage
- Outdoor Merchandise Displays
- Outdoor Storage
- Vehicle Repair
- Roosters

(Priority 2)

Finding 2: Staffing imbalances and Code Enforcement's underuse of case management tools contribute to inconsistent application of policies and a risk that violations persist.



Once Code Enforcement staff identifies a violation, the investigator endeavors to achieve compliance. Code Enforcement's Procedures Manual states that the investigator should use a variety of tools—including notices, inspections, fines, and re-inspection fees—to try and gain compliance before escalating the case with a referral to the City Attorney's Office or an Administrative Hearing.

However, we found that Code Enforcement investigators do not consistently follow policies and procedures when it comes to the above tools. First, we found that some active cases have been open for more than 600 days without a violation notice and that most active cases where a Civil Penalty Notice and Order was issued have not received a follow-up inspection. Second, we found that over one-third of Code Enforcement cases have not been updated in Accela in the past year. Third, we found that investigators only issue re-inspection fees 11 percent of the time that Code Enforcement's procedures require them. Causes of the inconsistencies include a staffing imbalance between building and zoning investigators; declining staff experience; and a lack of ability to hold investigators accountable due to underusing case management tools. Inconsistent adherence to policy and procedures results in forgone revenue and a risk that violations persist even after Code Enforcement becomes aware of them.

Code Enforcement's Procedure Manual lays out extensive options for an investigator to bring a violation into compliance.

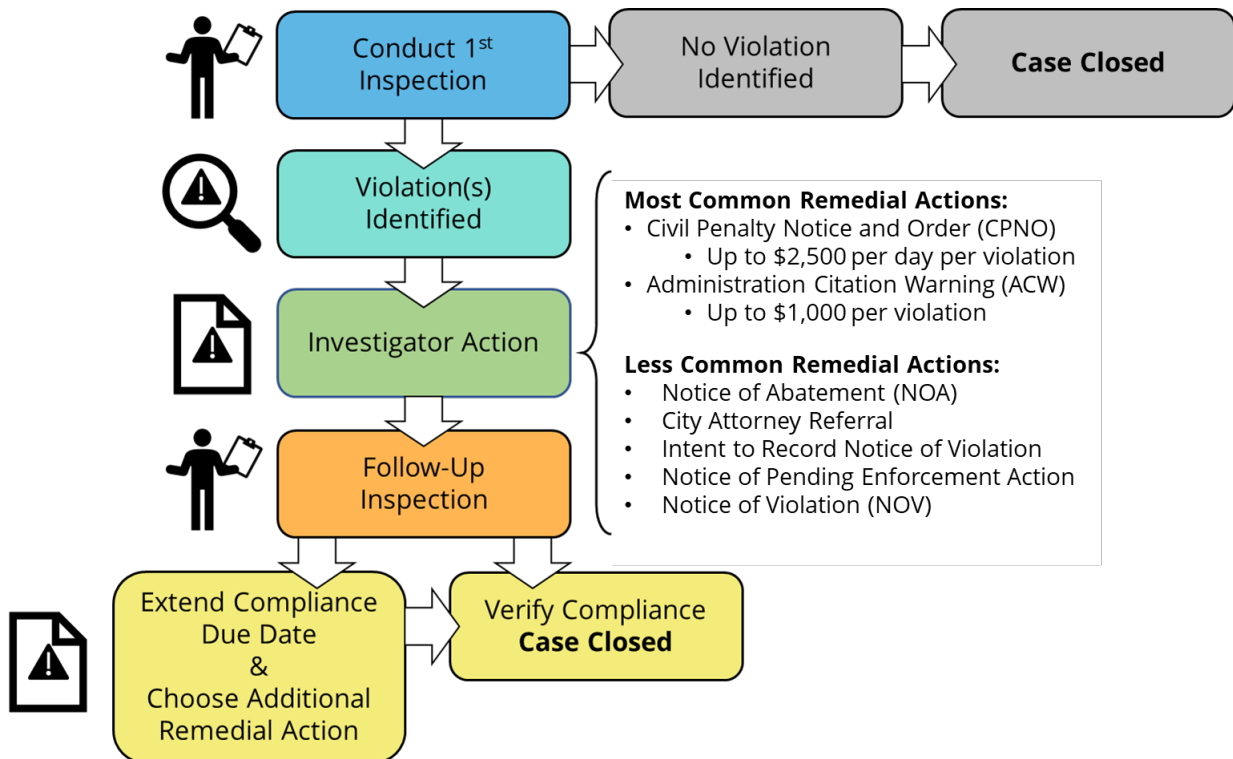
Code Enforcement's Procedures Manual encourages investigators to check the San Diego Municipal Code and other relevant regulations when conducting research. After researching the case, an investigator may contact the responsible party by phone, by planning an unscheduled inspection, or by sending a Notice of Inspection letter. To verify a violation, investigators must complete an initial inspection.¹¹ As illustrated in **Exhibit 18**, once investigators verify a violation, they may choose from a variety of remedies to achieve compliance, including:

¹¹ Completing initial inspections on time at least 90 percent of the time is a Key Performance Indicator of the Code Enforcement Division.

- Administrative Citation Warning
- Civil Penalty Notice and Order
- Recordation of Notice of Violation
- Abatement
- Referral to the City Attorney's Office

Exhibit 18

Once Code Enforcement Investigators Identify a Violation, They Have Several Options for Achieving Compliance



Note: Code Enforcement management stated that there are cases where investigators have to conduct multiple inspections to verify if there is a violation or not but that these cases are not common.

Source: OCA generated based on the San Diego Municipal Code, Code Enforcement's Procedures Manual, and Accela training materials.

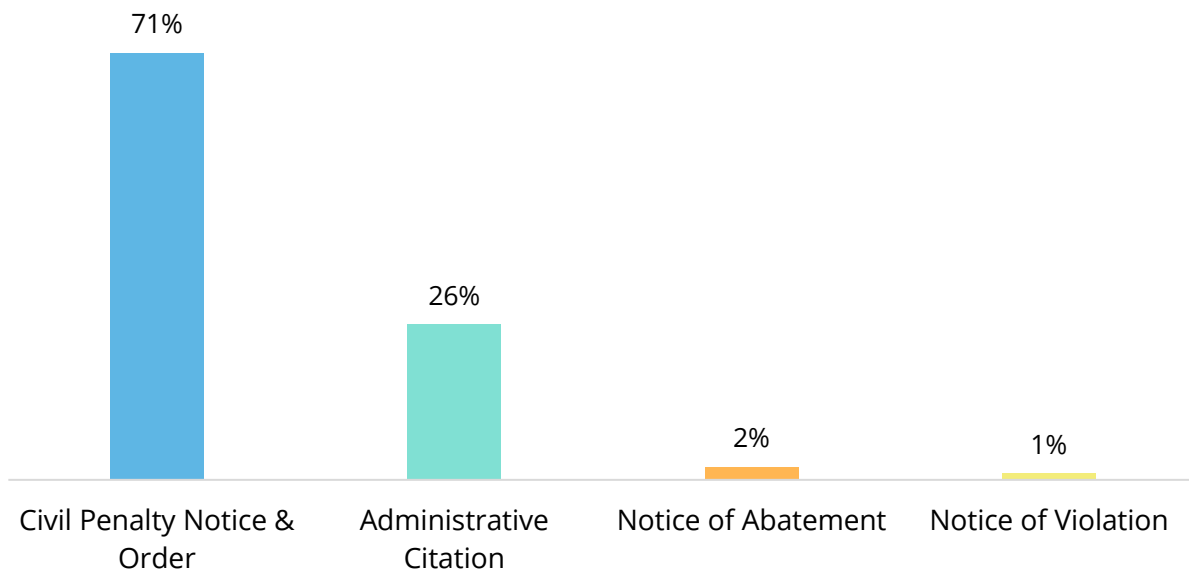
Civil Penalty Notice and Orders (CPNOs) and Administrative Citations (ACs)¹² are the most common notices issued by Code Enforcement investigators. According to Code Enforcement

¹² Throughout this report, we refer to both administrative citations with financial penalties and those that are simply warnings collectively as Administrative Citations (ACs).

investigators, they typically use CPNOs for more serious or complex violations and use ACs for minor violations that do not create an imminent danger to health and safety. From our sample of 176 cases,¹³ CPNOs comprised 71 percent of cases in which investigators issued notices, while ACs accounted for 26 percent (see **Exhibit 19**).

Exhibit 19

Civil Penalty Notice and Orders and Administrative Citations Are the Most Common Notices Code Enforcement Issues to Violators



Source: OCA generated based on sample of data from Code Enforcement's Accela database, February 2018 through November 2021.

CPNOs and ACs both detail specific violation(s) identified, actions taken to achieve compliance, compliance timeframes, and assessed penalty amounts¹⁴ if the responsible party does not achieve compliance by the compliance due date.

According to Code Enforcement's Procedures Manual, investigators conduct a follow-up inspection based on the

¹³ We performed an in-depth analysis on a judgmental sample of 176 cases (both active and closed-voluntary/involuntary that Code Enforcement opened prior to December 1, 2021) to determine whether notices were issued and whether follow-up inspections for such notices were conducted. We used this sample size because Code Enforcement does not track notices in Accela, and we had to manually search case files to look for issued notices.

¹⁴ Civil Penalty Notice and Orders can include fines of up to \$2,500 per day per violation while Administrative Citations can include fines up to \$1,000 per violation.

compliance due date listed on the notice to determine the status of violations. If not corrected, Code Enforcement's Procedures Manual provides investigators with a large degree of discretion when deciding how to best achieve compliance. Investigators consider a variety of factors when determining next steps. Factors include whether the property owner has made good faith efforts to correct violation(s), the type of case, and the complexity of the violation(s).

However, as a result of our 2015 audit, Code Enforcement's Penalty Policy Framework does provide the following to investigators for each type of violation:

- Typical Remedy
- Typical Initial Penalty Amount
- Typical Timeframe¹⁵

If investigators determine the violation persists, they can either extend the compliance timeframe or choose alternative enforcement options. Alternative enforcement options include:

- Schedule an Administrative Hearing
- Issue fine/penalty¹⁶
- Refer case to City Attorney's Office
- Issue Notice of Abatement
- Record Property with County Recorder

Regardless of the next step, policy requires investigators to issue re-inspection fees for third and subsequent inspections.

Some cases have been active for over 600 days without a written notice issued to the property owner.

Although Code Enforcement's Procedures Manual establishes next steps, we found that Code Enforcement investigators do not consistently follow these steps at different stages in the enforcement process.

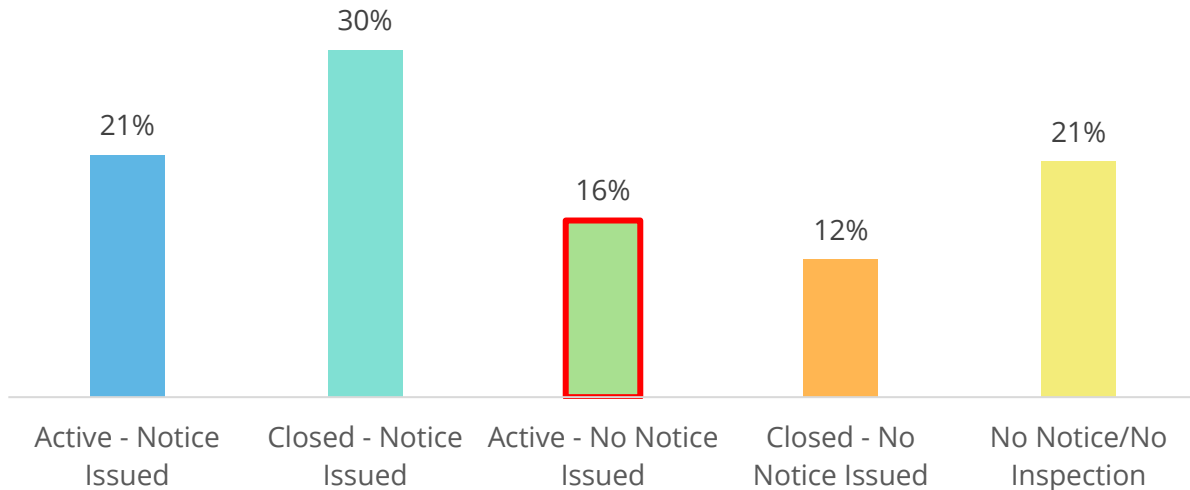
¹⁵ Multiple investigators we interviewed referenced this as part of their procedure and something they use in their day-to-day work.

¹⁶ Code Enforcement management indicated that before mailing out and issuing a notice, Senior Investigators or Program Coordinators review each penalty that has financial implications to ensure consistency and equitable treatment. While procedures try to capture responses to typical cases, Code Enforcement communicated that it has not created some procedures and that it needs to update others.

As mentioned previously, written notices come after a violation is identified¹⁷ and are one of the main administrative remedies Code Enforcement has at its disposal. However, as shown in **Exhibit 20**, we found Code Enforcement did not issue any kind of notice for 16 percent of active cases in our sample.¹⁸

Exhibit 20

16 Percent of Cases in Our Sample are Active with No Notice Issued



Source: OCA generated based on sample of data from Code Enforcement's Accela database, February 2018 through November 2021.

For these cases, the average amount of time between the case open date and February 16, 2022 was 638 days, or more than 1½ years. In contrast, 52 cases in our sample closed after being issued at least one notice. These cases closed, on average, only 180 days after being issued a notice.

¹⁷ Although the Procedures Manual allows investigators to give a verbal warning, they should reserve these for compliance time frames of 1 to 5 days.

¹⁸ See Footnote 14.

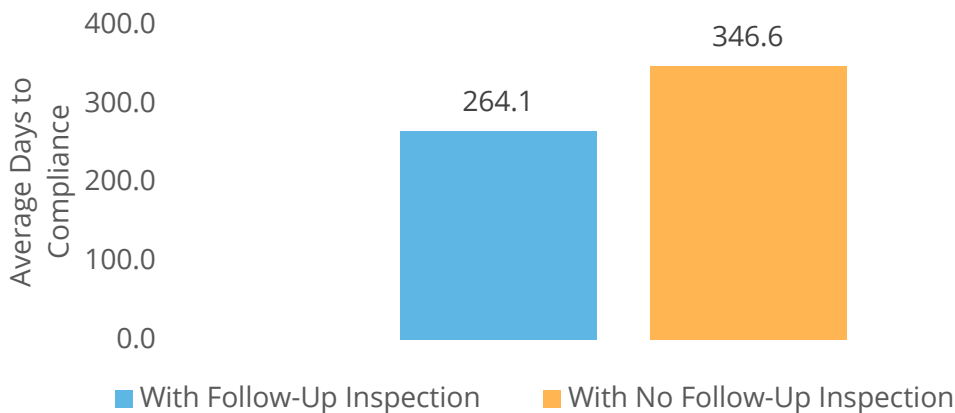
We found that 82 percent of our sample of active cases with a Civil Penalty Notice and Order had not received a follow-up inspection.

Code Enforcement management informed us that they generally require follow-up inspections for notices.¹⁹ For almost half of the violations listed in Code Enforcement's Penalty Policy Framework, Civil Penalty Notice and Orders (CPNOs) are the typical response notice. According to this framework, violations that typically involve CPNOs have an average compliance time frame of 28 days. However, looking at our sample, we found that 82 percent of active cases that had CPNOs issued did not have a follow-up inspection as of February 16, 2022;²⁰ as of this date, these inspections were, on average, 583 days overdue.

As shown in **Exhibit 21**, for CPNO cases that received a follow-up inspection, Code Enforcement reached compliance over 80 days faster than with cases that did not conduct a follow-up inspection. While some of these cases may have come into compliance without an inspection, the exhibit suggests that scheduling and conducting a follow-up inspection after a CPNO is issued appears to result in shorter compliance timeframes.

Exhibit 21

CPNO Cases That Did Not Receive a Follow-Up Inspection Took Over 80 Days Longer to Close Than Those with an Inspection



Source: OCA generated based on sample of data from Code Enforcement's Accela database, February 2018 through November 2021.

¹⁹ For mold or infestation cases, Code Enforcement management stated that a report from a licensed professional stating the violation no longer existed could negate the need for an inspection. However, Code Enforcement will still typically check in with residents to confirm the issue has been resolved.

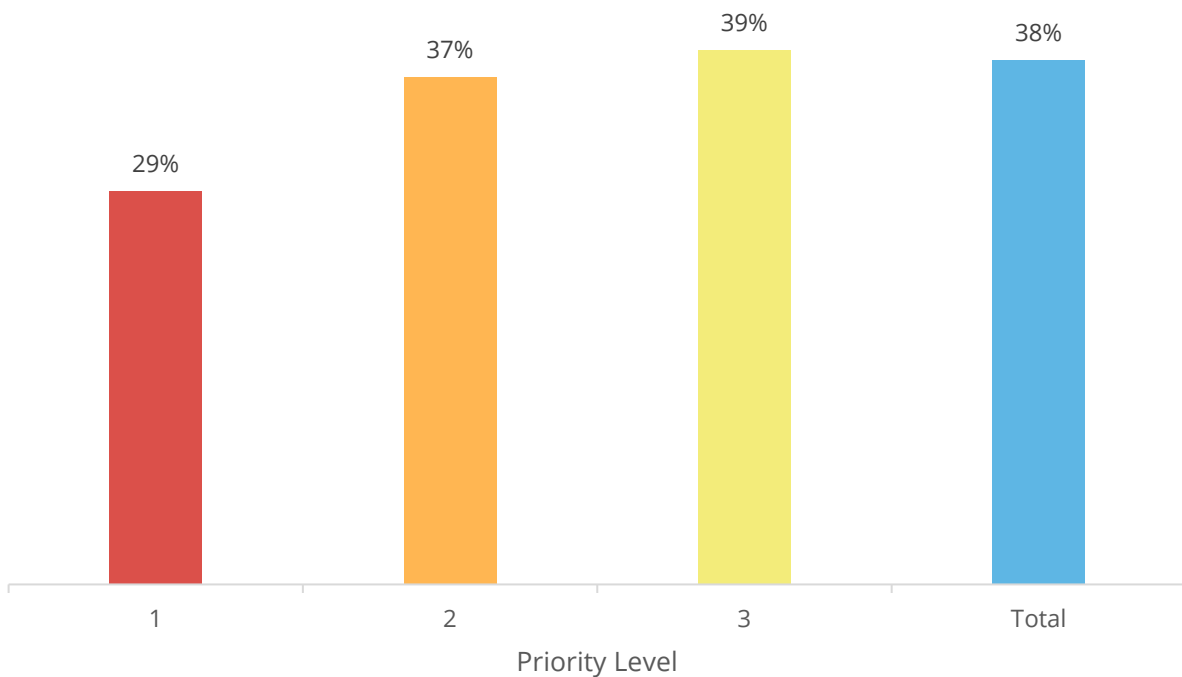
²⁰ We found that 88 percent of sample cases where an AC was issued had a follow-up inspection. This is likely due to the relatively short, typical compliance timeframes for ACs (average of 24 days) outlined in Code Enforcement's Penalty Policy Framework.

Code Enforcement staff have not updated many active cases for more than one year, leading to delays in case resolution.

As part of our analysis, we reviewed the last time investigators updated active cases with inspections, activities, or workflows in Accela. As shown in **Exhibit 22**, we found that investigators did not update 38 percent of active cases in Accela in the past year. Although Priority 1 cases are less likely to fall into this category, 29 percent of active Priority 1 cases did not have any updates over the past year.

Exhibit 22

Almost 40 Percent of Active Cases Had No Recorded Activity in the Past Year



Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through January 2022.

We also found that it had been 350 days, on average, since investigators updated any given case in Accela. Code Enforcement's Procedures Manual states that anyone should be able to determine the status of a case based on the case file. When investigators do not update cases with recent casework, the current status of the case is not apparent. This information should be apparent to any investigators taking over the case, supervisors, managers, or outside parties such as the City Attorney's Office.

Furthermore, as mentioned in Finding 1, Priority 1 cases include violations that relate to dangerous/unstable structures, leaking sewage, or exposed electrical wires—all of which potentially pose significant risks to health and safety. Out of a total of 164 active Priority 1 cases, we found 47 (29 percent) of these cases had no updates for over a year, averaging 925 days since the last update. Additionally, there could be an impact of these cases to the City financially. In one example, an administrative hearing officer used personnel changes and lack of prompt response from the City as support to award the City only 20 percent of the civil penalties requested.

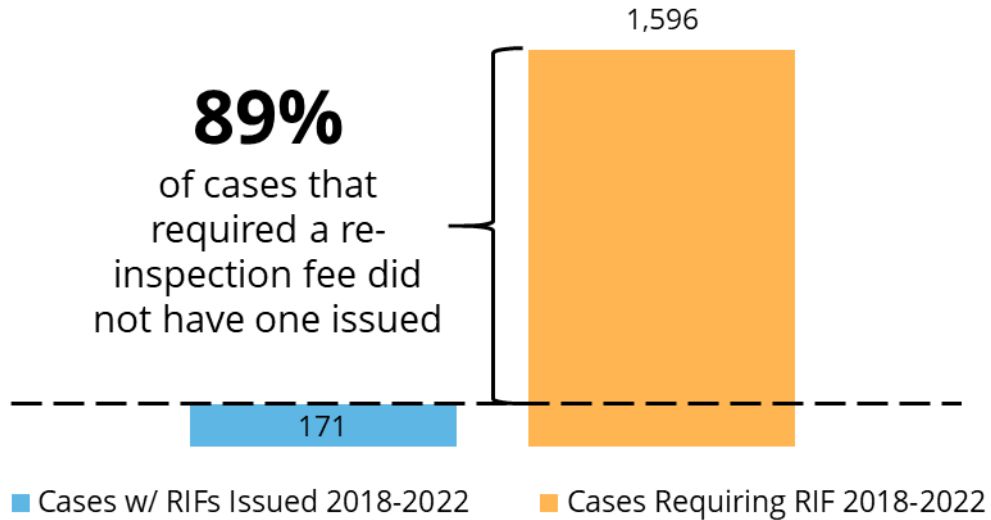
Re-inspection fees are only issued in 11 percent of eligible cases, resulting in longer compliance timeframes and missed revenue.

For cases involving three or more inspections, Code Enforcement's Procedures Manual requires investigators to issue a re-inspection fee of \$264 for zoning violations and \$295 for building violations. In our 2015 Code Enforcement audit, we found that, from FY2013 through FY2015, Code Enforcement received \$19,374 from re-inspection fees out of an estimated \$668,763 total charges that the City could have collected. In response, we recommended that Code Enforcement revise its Procedures Manual to establish a systematic framework for assessing fines, penalties, and re-inspection fees. Although Code Enforcement has since implemented the recommendation, **Exhibit 23** shows that 89 percent²¹ of cases that required the issuance of a re-inspection fee did not issue one from February 2018 through January 2022.

²¹ In Finding 3, we discuss error rates with the number of inspections. We found 65 of 377 cases (17 percent) had an incorrect number of inspections recorded in Accela. However, after manual correction, we found that the cases had, on average, 1.68 more inspections than Code Enforcement recorded in Accela. Therefore, the number of missed re-inspection fees is likely higher than what we calculate in this report.

Exhibit 23

Investigators Issued Very Few Re-Inspection Fees on Cases Relative to the Number That Should Have Been Issued

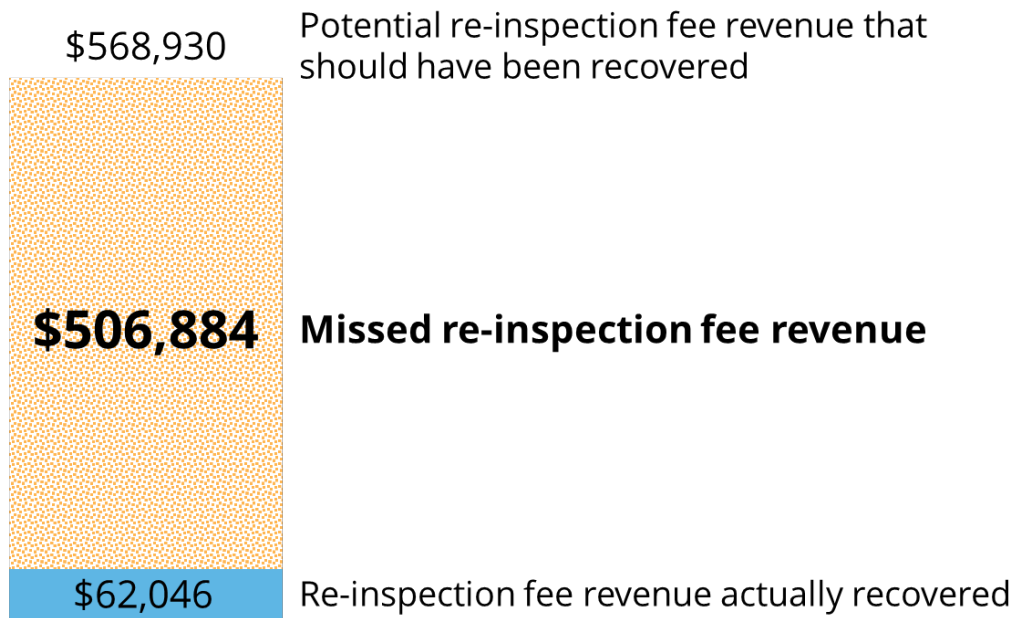


Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through January 2022.

We estimate that between February 2018 and January 2022, Code Enforcement should have recovered an additional \$506,884 in re-inspection fee revenue (see **Exhibit 24**). Code Enforcement stated that its mission does not include generating revenue for the City and that the intent of re-inspection fees is to recover the costs associated with multiple inspections at a single property. Additionally, according to Code Enforcement investigators, re-inspection fees can help bring the property into compliance.

Exhibit 24

The City Missed Opportunities to Recover More than Half a Million Dollars for Follow-Up Inspections that Require a Re-Inspection Fee



Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through January 2022.

Additionally, Code Enforcement management informed us that seniors are supposed to hold their investigators accountable when it comes to issuing re-inspection fees. They also stated the lack of fee issuance is a training issue and could be explained by how investigators interpret the re-inspection procedure. We found that Code Enforcement's Procedures Manual and its Accela training materials provide different information when they define inspections that should be assessed a re-inspection fee, which may confuse investigators.

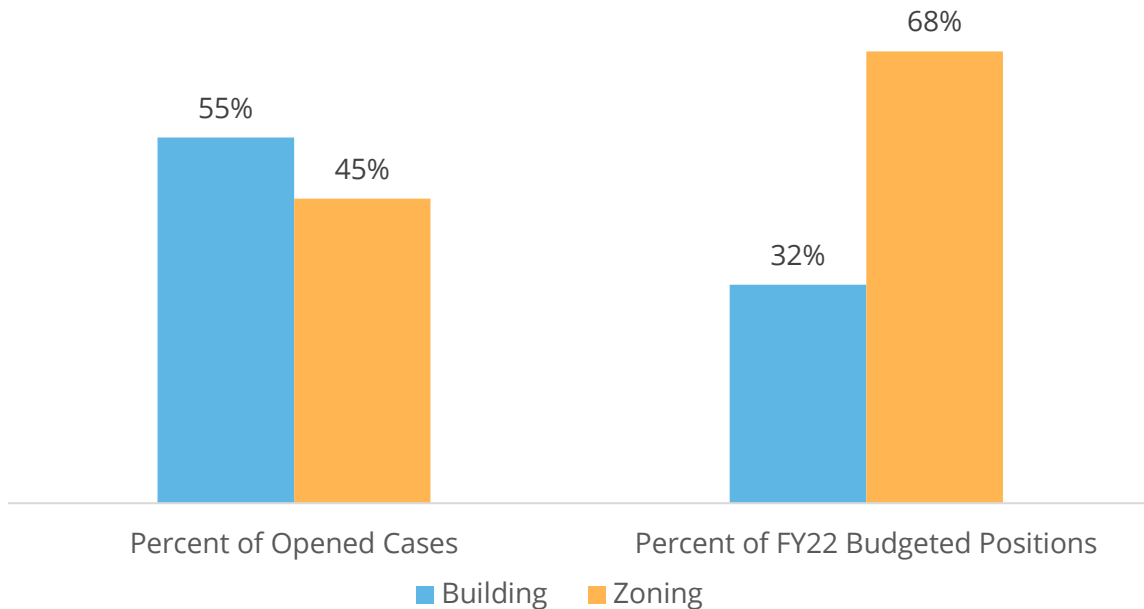
Although we found that this issue has not significantly improved since our 2015 Code Enforcement audit, we note that Code Enforcement has taken responsibility for addressing this issue and, during the course of this audit, has regularly reminded seniors to monitor whether their investigators are issuing re-inspection fees as required.

Code Enforcement's imbalance between Zoning and Building Investigators likely results in delays in achieving compliance.

As shown in **Exhibits 15 and 16** in Finding 1, Code Enforcement has fewer resources per capita than other agencies in California. We found there is also an imbalance between building and zoning staff within Code Enforcement. Furthermore, **Exhibit 25** shows that 32 percent of Code Enforcement staff are building investigators, but slightly more than half of all new cases are reported as building cases.²²

Exhibit 25

Code Enforcement Has More Than Twice as Many Zoning Investigators Than Building Investigators Despite Receiving Almost an Equal Number of New Building and Zoning Cases



Source: OCA generated based on case data from Code Enforcement's Accela database and vacancy data from the City's SAP database, February 2018 through January 2022.

The staffing imbalance contributes to disparate outcomes between building and zoning cases.

For active cases (that have received an inspection) in our sample,²³ we found:

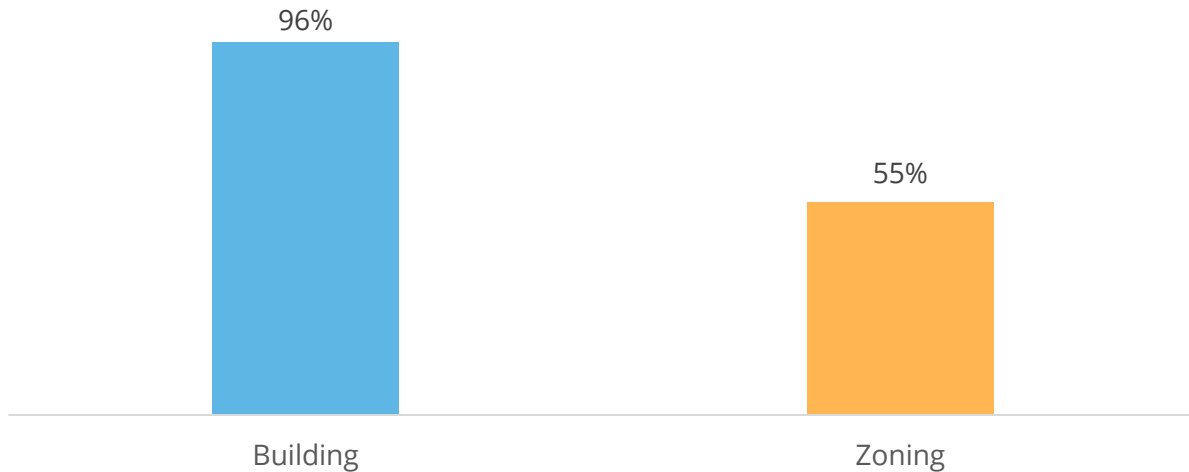
²² Code Enforcement management hypothesized that this imbalance is due to zoning cases being more visible and therefore getting more constituent attention and more allocations in the budget than building cases. An analysis of the FY2012 Adopted Budget shows staffing levels used to be more even; 17 positions (46 percent) were Combination Building Inspectors while just 20 positions (54 percent) were Zoning Investigators.

²³ See Footnote 14.

- Building cases had been open without a notice for 87 days longer, on average, than zoning cases; and
- 96 percent of active building cases with a CPNO did not have a follow-up inspection while 55 percent of zoning cases with a CPNO did not have a follow-up inspection (see **Exhibit 26**).²⁴
- All active cases with a CPNO and no follow-up inspection had been open for an average of 583 days since CPNO issuance.

Exhibit 26

96 Percent of Sample Active Building Cases That Were Issued a Civil Penalty Notice and Order—Compared to Only 55 Percent of Zoning Cases—Did Not Have a Follow-Up Inspection



Source: OCA generated based on sample of data from Code Enforcement's Accela database, February 2018 through November 2021.

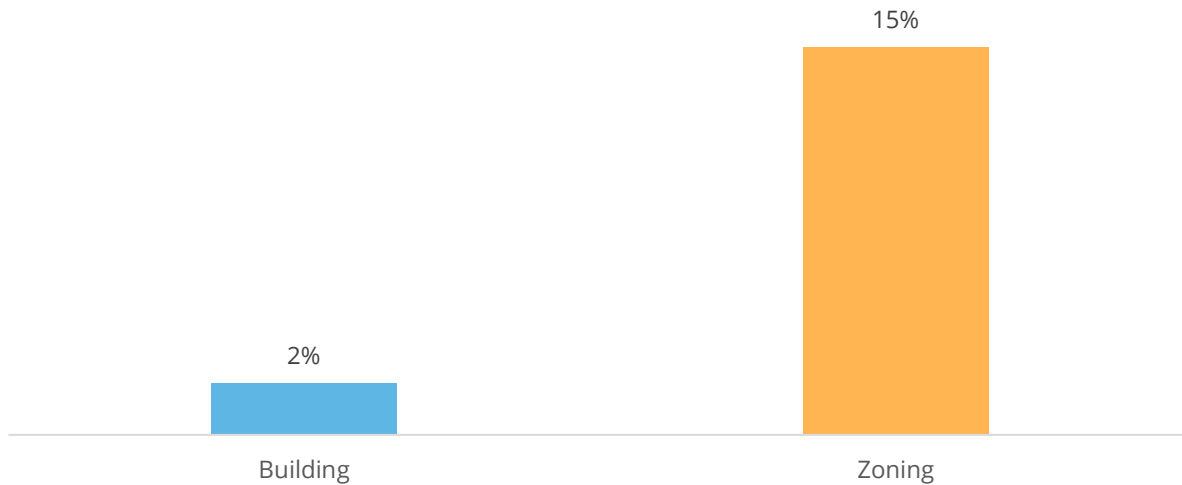
For the entire population of cases we reviewed, we found:

- In the past year, staff did not update 29 percent of zoning cases and 47 percent of building cases in Accela; and
- Of the estimated total number of cases where re-inspection fees should have been issued, investigators issued them in 15 percent of zoning cases but only 2 percent of building cases, as shown in **Exhibit 27**.

²⁴ Notices other than CPNOs only make up 29 percent of notices. Code Enforcement is generally successful in following-up to those. Our analysis found that 89 percent of cases that issued a notice other than a CPNO had a follow-up inspection conducted.

Exhibit 27

Investigators Issued Re-Inspection Fees for Only 2 Percent of Building Cases that Required Them, Compared to 15 Percent of Zoning Cases



Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through January 2022.

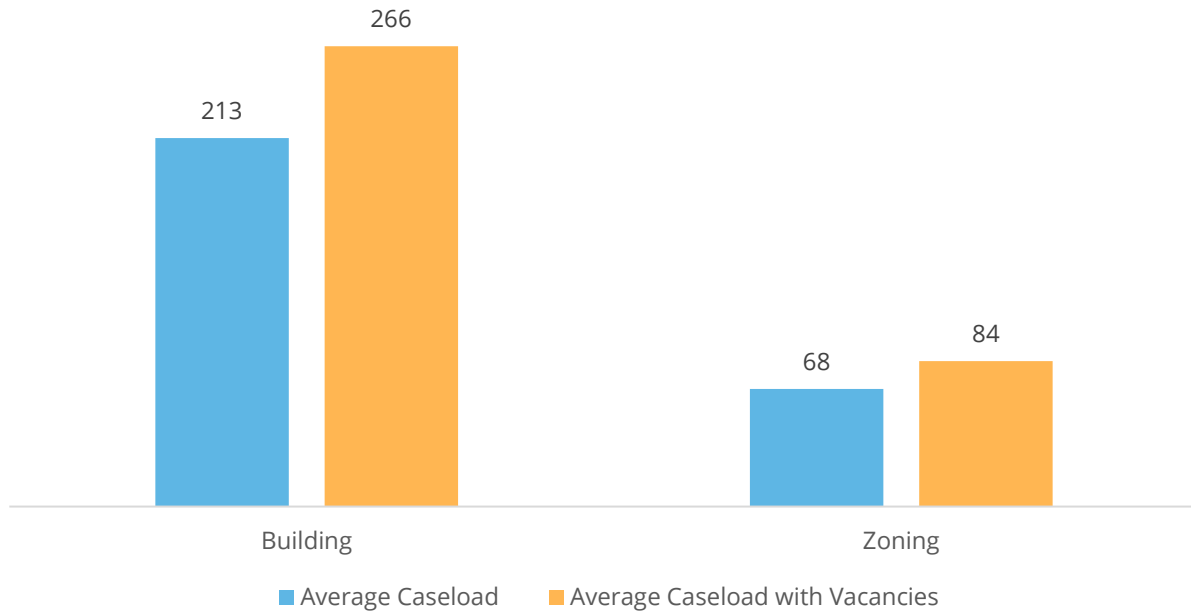
Code Enforcement vacancies and declining staff experience contribute to high caseloads.

The average caseloads for Code Enforcement investigator positions (not including seniors) as of January 31, 2022 are shown in **Exhibit 28**. We found Building Investigators have an average case load (213) that is three times higher than Zoning Investigators (68). In contrast to current caseloads, and according to investigators, manageable caseloads would be around 70 to 100 cases per investigator. When we asked Code Enforcement management the same question, they told us that a manageable number of cases for Zoning Investigators is around 100, while the number is 150 to 200 for Building Investigators.

Over our analysis time frame, an average of seven investigator positions (17 percent) were vacant every quarter. As mentioned in Finding 1, when an investigator leaves Code Enforcement, seniors assign their cases to the other members of their team. **Exhibit 28** shows that this increases investigators' caseloads, and Code Enforcement informed us this can cause cases to get "lost in the shuffle."

Exhibit 28

Vacancies Substantially Increase Building Investigator Caseloads

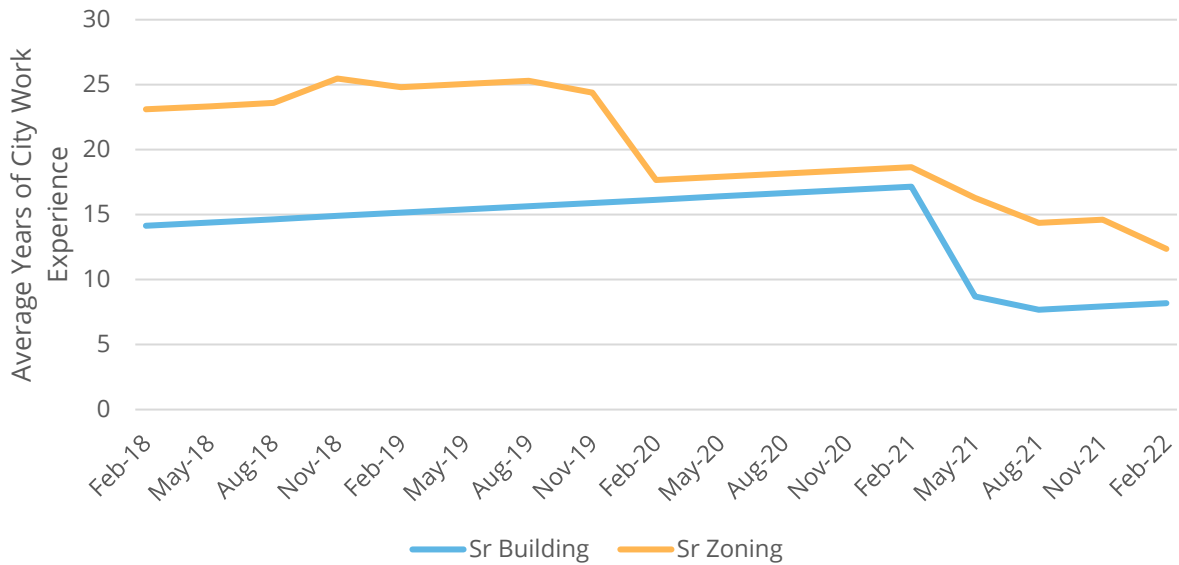


Source: OCA generated based on case data from Code Enforcement's Accela database and vacancy data from the City's SAP database, February 2018 through January 2022.

Furthermore, a lack of staff experience contributes to delays in the code enforcement process. Code Enforcement staff informed us that seniors assign new investigators fewer cases while they are in training, resulting in higher-than-average caseloads for experienced Building Investigators—sometimes upwards of 300 cases per investigator. Using the start date of their employment at the City, we found that experience among investigators and senior investigators declined by 19 percent over the four years we reviewed. **Exhibit 29** shows this decline in more detail for seniors, with their average work experience declining by over 40 percent for both zoning and building positions.

Exhibit 29

Average Senior Investigator Work Experience Declined Over the Last 4 Years



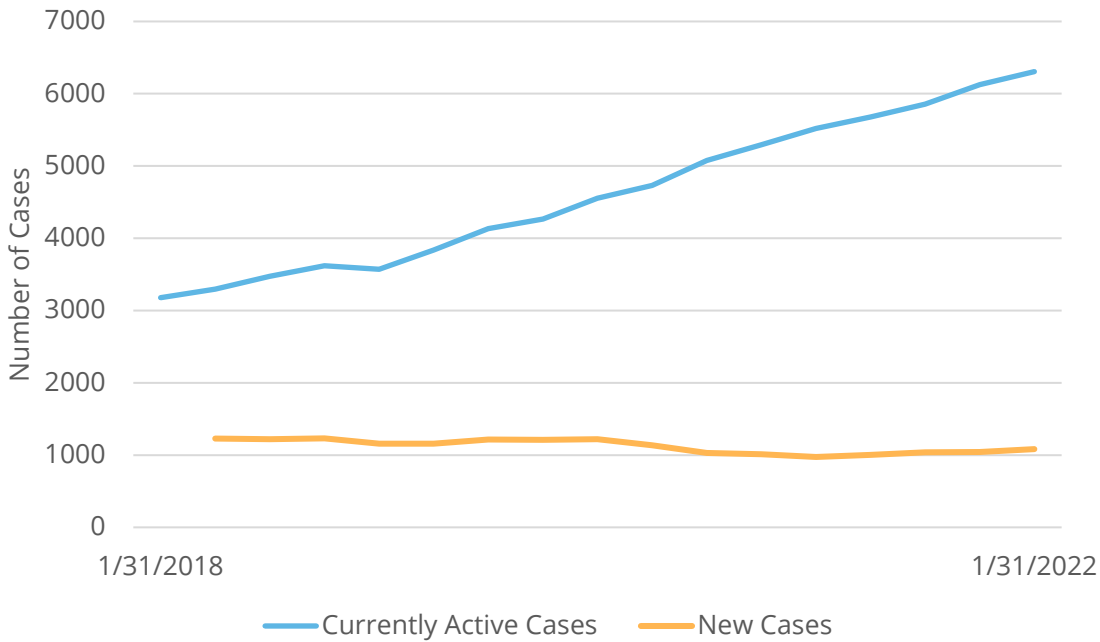
Source: OCA generated based on data from the City's SAP database.

Staffing issues and longer compliance time frames result in a perpetually growing backlog of cases.

As a result of the longer compliance time frames, the overall resource shortage mentioned in Finding 1, and the staffing imbalance mentioned above, investigators have not closed cases as quickly as they are coming in. This results in the growing backlog of cases shown in **Exhibit 30**, with currently active cases almost doubling from 3,178 on January 31, 2018 to 6,306 on January 31, 2022.

Exhibit 30

The Number of Currently Active Code Enforcement Cases Grew Over the Last Several Years



Source: OCA generated based on data from Code Enforcement's Accela database updated through February 16, 2022.

Throughout our interviews, there was a sentiment of high stress among Building Investigators due to the high workload, which led to low team morale and a risk of investigator turnover. More vacancies could cause the cycle to continue and shift even more work to the remaining investigators.²⁵

Using case management tools to assist in adhering to division procedures could help investigators and management limit persistent violations.

In addition to staffing issues, investigators and seniors have not been held accountable in a consistent and effective manner, due in part to an under-use of the Accela case management system. Code Enforcement management stated that supervisory review of long-term and difficult cases happens on an ad hoc basis at bi-weekly manager meetings and one-on-one meetings between seniors and investigators. Investigators bring up specific "hot topic" cases during these meetings to discuss the best ways for investigators to obtain insight on how to move forward and gain compliance. Seniors also use this ad hoc approach, rather than

²⁵ Code Enforcement's vacancy rate for investigator positions between February 2018 and January 2022 was approximately 17 percent, on average, (7 vacant investigator positions) per quarter.

looking at the data on an aggregate basis, to determine whether there are any inconsistencies or inequities in case management.

Furthermore, Code Enforcement does not use Accela fully to track important case metrics that could be useful in determining the current status of individual cases and aggregate caseloads for investigators, areas, and Code Enforcement as a whole.

Exhibit 31 shows the incomplete fields and processes in Accela and their effect on supervisors' ability to hold their staff accountable.

Exhibit 31

Better Usage of Accela Could Lead to Efficiency Improvements in Supervisory Operations

Missing Accela Process or Field	Effect on Investigators	Effect on Supervisory Operations
Not requiring use of the violation table to track individual violations.	Incomplete understanding of current workload and progress on cases.	Supervisors are unable to quickly determine workload of investigators on cases that have zoning and building violations.
No report to identify cases with no initial inspection.	Investigators cannot easily identify cases with no initial inspection in order to prioritize those cases and reach initial inspection response time goal.	Supervisors cannot easily hold investigators accountable for cases with no initial inspection.
Status field only has "New", "Active", and "Closed" options.	Investigators cannot easily filter out cases in other workflows like "Awaiting Permit", "City Attorney", etc., in order to identify cases that they need to actively enforce.	Supervisors cannot quickly filter out cases that are in other workflows to ensure active enforcement from investigators.
No report to identify the last update on a case.	Investigators cannot quickly identify cases that require follow-up, creating a risk they could miss old, dormant cases.	Supervisors must manually check all cases to find when the last update occurred, making it time-consuming to hold investigators accountable on case updates.
No field indicating whether a re-inspection fee has been issued.	Investigators must manually look through case notes to identify cases that need a re-inspection fee or those that have one issued.	Supervisors must manually look through case notes to hold investigators accountable for re-inspection fee issuance.

Source: OCA generated based on interviews with Code Enforcement staff and auditor observations of Accela system.

Specifically, our analysis only reviewed "Application Name" to determine case type, which categorized cases into a singular type of violation. However, in our discussions with Code Enforcement staff, investigators stated that many cases have both zoning and building violations, which leads to additional work that Accela may not capture for cases that require collaboration between two investigators. Accela has a "Violation Table" field where investigators can enter multiple types and instances of violations for a single case. However, we found Code Enforcement was not requiring investigators to use this field at the time of our analysis, likely resulting in the effects noted in the first row of **Exhibit 31**. Tracking all violations would allow Code Enforcement to better understand the scope of work for individual investigators.

Code Enforcement also does not require investigators to enter future tasks with specific due dates in Accela, such as planning out inspections ahead of time. Code Enforcement management stated that they could track many of these metrics and processes through the creation of internal procedures and workflows along with corresponding reports. Additional resources may be needed to track the remaining few metrics.

In conclusion, without a complete picture of Code Enforcement's operations, seniors cannot hold their investigators accountable, and management does not have accurate, comprehensive data to make informed strategic decisions. The U.S. Government Accountability Office (GAO) states in its *Standards for Internal Control in the Federal Government* that "Management should use quality information to achieve the entity's objectives." This quality information should be appropriate, current, complete, accurate, accessible, and provided on a timely basis. Additionally, management should use the quality information to make informed decisions and to evaluate performance in achieving key performance objectives. An expansion and clarification of Accela usage will help give management the quality, appropriate, and complete information it needs to achieve its objectives.

Recommendation 2

To ascertain staffing needs discussed in both Finding 1 and Finding 2, and to better articulate resource needs and budget requests with evidentiary support, the Development Services Department (DSD) should:

Establish a Key Performance Indicator (KPI) for the optimal average caseload for the Code Enforcement Division's building and zoning investigators. DSD should report this KPI in its annual budget document.

(Priority 2)

Recommendations 3–6 are intended to improve investigator efficiency.

Recommendation 3 To help investigators and management better organize and analyze case data, the Development Services Department should create or expand fields for the following case information in Accela:

- Indication of a special project that does not follow the regular complaint procedure;
- Notice and Fine Detail; and
- Status (both Active and Closed). Add at least the following choices:
 - Status for Admin Hearing;
 - Awaiting Permit; and
 - Referred to City Attorney's Office

(Priority 2)

Recommendation 4 After expanding Accela field options, to consistently analyze data on an aggregate level, the Development Services Department should create a data dictionary for Accela that clearly defines choices for at least the following fields:

- Types of Inspections (specify which ones contribute towards Re-Inspection Fees);
- Active Case Status; and
- Closed Case Result.

(Priority 2)

Recommendation 5 In order to maintain ongoing involvement in long-term cases, the Development Services Department should update Code Enforcement's Procedures Manual and Accela training materials to require all new or active cases to have a workflow task

scheduled with target due date for next step in the case management process, and to require investigators to check the "My Tasks" dashboard in Accela daily. Examples of possible workflow tasks include:

- Estimated inspection date of initial inspection;
- Compliance inspection after issuance of a notice; and
- Estimated permit completion date.

(Priority 2)

Recommendation 6 In order for the Development Services Department (DSD) Code Enforcement Division's management to better track aggregate case data, DSD should update Code Enforcement's Procedures Manual and Accela training materials to include the following:

- Investigators should list all zoning/building violations in "Violation Table" in Accela; and
- Investigators should enter pertinent case information, such as Civil Penalty Notice and Order and Administrative Citation/Warning issuance date, compliance date, and fine/penalty amounts, into the Civil Penalty Notice and Order and Administrative Citation Warning fields in Accela.

(Priority 2)

Recommendations 7 and 8 are intended to help management monitor case status.

Recommendation 7 To address Finding 1 and to give more information to supervisors and managers, the Development Services Department should develop and use tools such as Accela reports or online dashboards that include the following:

- New or active cases that do not have an initial inspection and the number of days from case open date;
- All cases with number of inspections and whether they have a re-inspection fee issued;
- All active cases open longer than 90 days without a notice issued;

- All active cases without an update in the last 90 days; and
- All active cases with most recent workflow task.

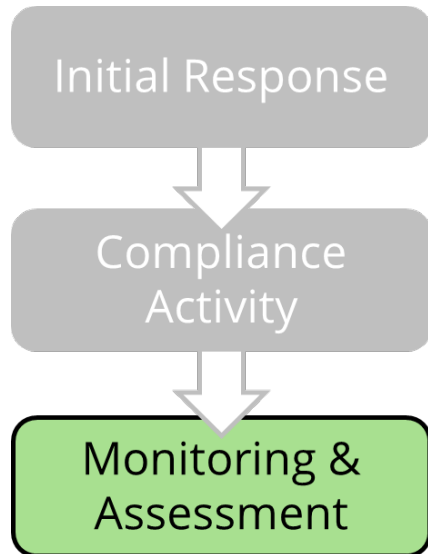
(Priority 1)

Recommendation 8 To help Development Services Department (DSD) Code Enforcement Division's supervisors hold investigators accountable, DSD should update Code Enforcement's Procedures Manual to require Code Enforcement senior investigators to regularly review individual investigators' caseloads to identify and follow-up on cases that have had no updates in the past three months. DSD should consider the following:

- Supervisors should filter out cases that they do not expect investigators to actively work when reviewing individual investigators' caseloads to identify cases that have no updates for at least three months.
- During their review of individual investigators' caseloads, management should require supervisors to ensure that investigators provided a written notice to the property owner for all active cases with violations, as well as ensure cases with three or more follow-up inspections have had a re-inspection fee issued.

(Priority 2)

Finding 3: Code Enforcement's Accela data and performance metric reporting does not accurately reflect case progress or results.



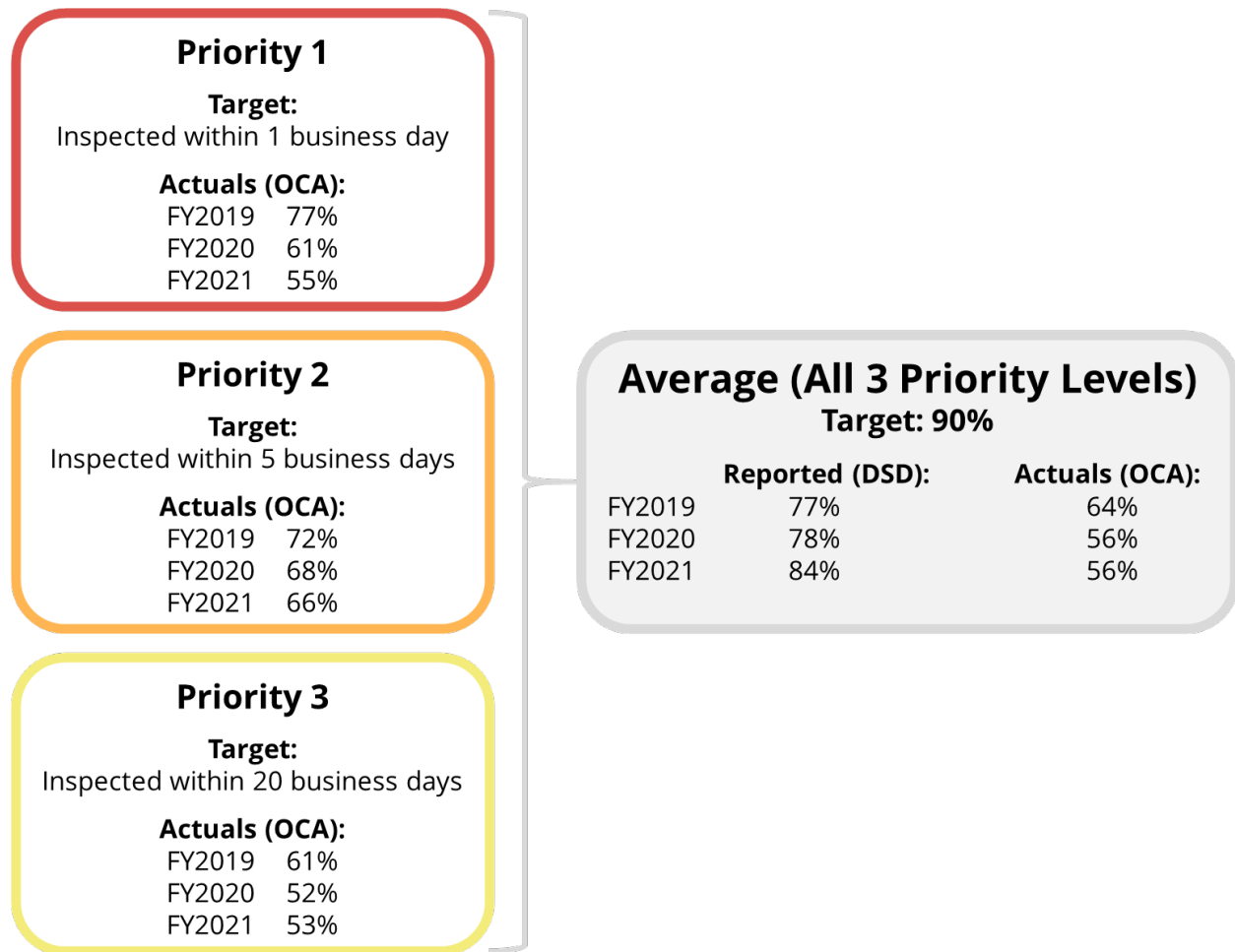
While expanding the usage of Accela could help improve operations, maintaining reliable and accurate data is also necessary so that City decision-makers can align resources and manage performance. We found that the Development Service Department's (DSD) methodology to calculate Code Enforcement's response time goal metrics is incomplete and leaves out a number of cases in its reports, which prevents Code Enforcement and the City Council from knowing the correct rate of achieving initial response goals. Additionally, we found that Code Enforcement's Accela data contains fairly high error rates for several key fields, including the "Date of First Inspection" field.

DSD's methodology to calculate Code Enforcement's response time inadvertently overreports the division's performance.

As discussed in Finding 1 and shown in **Exhibit 32**, we found that Code Enforcement's reported response time metrics were inaccurate and, for most years, significantly higher than what we calculated. Specifically, in FY2019 the difference between Code Enforcement's reported results and our analysis was 13 percentage points. The difference increased to 28 percentage points in FY2021.

Exhibit 32

OCA's Analysis of Code Enforcement's Response Time Metrics for FY2019–FY2021 Found Significantly Lower Results Than Reported by the Division



Source: OCA generated based on data from Code Enforcement's Accela database, FY2019 through FY2021.

We found the reason for these discrepancies is that DSD uses an incomplete methodology to calculate the percentage of cases Code Enforcement investigators responded to on time. Instead of using full-year data, DSD adds together monthly reports—which only capture cases that opened during that month and that had an initial inspection—in a separate spreadsheet. However, the monthly reports do not include cases without inspections nor do they capture cases that had an initial inspection after the reporting period.²⁶ This incomplete

²⁶ For example, a case opened on April 28th that did not have an inspection until May 5th would not show up on a report generated on May 3rd but would show up on a report generated on May 6th.

methodology results in Code Enforcement 's response time goal metric not including a number of cases. Therefore, DSD inadvertently overreports the percentage of cases that Code Enforcement investigators responded to on time.

Several Accela data fields have fairly high error rates.

We found that several data fields in Accela had fairly high error rates. Specifically, we took a random sample of 377 cases out of the population of 17,752 cases²⁷ and tested five data fields²⁸ that were not automatically generated by the Accela system.²⁹ Our test included checking the Accela case data extract against online and virtual case files in Accela and on Code Enforcement's shared drive. **Exhibit 33** shows that four of the five fields we tested had error rates of over 5 percent, including three fields that had error rates of 12 percent or higher.

Exhibit 33

Three Data Fields We Tested Had Error Rates Above 10 Percent

Field Name	Impact on Code Enforcement Operations	Error Rate
Staff Assigned To	Informs supervisors of individual investigator caseloads.	12%
Application Name	Informs management of distribution of complaints among the different violation types.	9%
Closed Date	Informs management of length of cases and whether certain cases are taking longer.	5%
First Inspection Date	Basis for KPI reported on budget doc.	12%
Number of Inspections	Informs management of how many RIFs should be issued.	17%

Source: OCA generated based on data from Code Enforcement's Accela database, February 2018 through January 2022 and Code Enforcement case files.

²⁷ This sample size is statistically significant at the 95 percent confidence level.

²⁸ We excluded the "Status" field from our conclusions because there is no clear difference between "Active Investigation" and "Active Enforcement," and we excluded the "Status Date" field because the data extract obtained the wrong field. Additionally, we tested "Invoice Amount" and "Invoice Date" but removed them from our conclusions due to low sample size.

²⁹ Code Enforcement informed us that Accela automatically generates fields like "Opened Date" and "Current Case Priority" when a case is opened or when staff assigns "Application Name", respectively.

In order to make informed, strategic decisions, the U.S. Government Accountability Office (GAO) states that management should use quality information by obtaining relevant data from reliable internal and external sources and that these sources "...provide data that are reasonably free from error and bias...." Additionally, management should evaluate these sources for reliability. We found that, according to Code Enforcement's closed case checklists, Code Enforcement supervisors are supposed to review recently closed cases to ensure the information in the case record is complete. However, this process solely focuses on ensuring record completeness rather than accuracy. For example, Code Enforcement policy does not require supervisors to check whether inspection dates are correct or if investigators completed a Civil Penalty Notice and Order follow-up inspection on time. We were also told that certain fields such as "Resulted Inspections" and "Workflow Tasks" cannot be edited after they are finalized. Code Enforcement management indicated that they attribute some of these errors to individual performance issues with senior investigators. Code Enforcement needs to improve accuracy in the above fields to facilitate making informed decisions based on a complete picture of Code Enforcement's operations.

Reliable data is necessary to make informed, strategic decisions.

As a departmental Key Performance Indicator (KPI) and internally tracked metric, accurately measuring the date of first inspection keeps Code Enforcement informed of which areas, types of cases, and priority levels it is responding to on time. Inaccurate case response time information prevents Code Enforcement from identifying cases with late or missing inspections, which would help address performance issues more effectively with specific investigators. Additionally, Code Enforcement's misreported response time metrics incorrectly informs City decision-makers on its operations, which increases the risk that the division's resources are misaligned. One example of this risk is that an overreporting of achievements could lead to the City Council allocating less staff to Code Enforcement than are necessary to conduct inspections to reach the KPI goal.

Recommendation 9 To address the misreporting of Key Performance Indicators (KPIs) and inaccurate tracking of response time, the Development Services Department (DSD) should create and use a report from Accela that accurately measures Code Enforcement's initial response time. This report should include cases opened in the current fiscal year that:

- Have received an inspection; or that
- Have no inspection but are beyond the goal response time.

Additionally, the basis of DSD's annual KPI reporting should be this report pulled on a date at least eight months after the start of the reported fiscal year.

(Priority 2)

Recommendation 10 To address data reliability issues, the Development Services Department (DSD) should create a checklist for online case files, and Code Enforcement's Procedures Manual should require Code Enforcement management to conduct periodic audits of cases using this checklist. The checklist should require Code Enforcement to check for both accuracy and completeness of the Accela case file and should include at least:

- Date of First Inspection;
- Number and Type of Inspections;
- Number and Type of Violations;
- Number and Amount of Fines/Fees;
- Complaint Details;
- Completed Workflow and Activities; and
- Closed Status.

Based on the results of these audits, Code Enforcement's Procedures Manual should outline appropriate management response when issues with investigator performance are identified.

(Priority 2)

Other Pertinent Information

Analysis of fines and response time showed no significant inequities in Code Enforcement response.

As part of our objectives, we analyzed Code Enforcement activities for inequitable treatment of certain populations with regard to fines/penalties and in achieving the response time goal. We used the address of the violation and U.S. Census Bureau data to determine the following variables of the census tract in which the violation was located:

- Percent female population;
- Median age;
- Percent owner-occupied housing;
- Percent white only;
- Percent low English proficiency; and
- Median household income.

For fines/penalties activities, we used logistic regression to analyze the relationship of the above variables and a binary variable describing whether the case had a fine or not. We found only percent owner-occupied and percent white only were statistically significant at the 95 percent level, and that neither showed magnitudes that meaningfully impact division operations.

For response time goals, we used logistic regression to analyze the relationship of the above variables and a binary variable describing whether staff reached the response time goal or not. We found only percent low English proficiency was statistically significant at the 95 percent level, and that its magnitude does not meaningfully impact division operations.

Other audits have taken equity into consideration, with a focus on the risk of inequities that arise from the discretion given to code officers, deviations from city ordinances, and the complaint-based system that forms the basis for code enforcement. The City of Portland analyzed how the complaint-driven system that exists there “adversely affects communities of color and neighborhoods vulnerable to gentrification” and how about one-third of complaints are determined to be without merit, creating an inefficient system. In their response, the City

of Portland's Bureau of Development Services agreed to explore alternatives to the complaint-driven system.

Although we found no significant inequities in our analysis, DSD and Code Enforcement should continue to monitor their operations with an equity lens and consider looking into alternatives to the complaint-driven system moving forward.

Appendix A: Definition of Audit Recommendation Priorities

DEFINITIONS OF PRIORITY 1, 2, AND 3

AUDIT RECOMMENDATIONS

The Office of the City Auditor maintains a priority classification scheme for audit recommendations based on the importance of each recommendation to the City, as described in the table below. While the City Auditor is responsible for providing a priority classification for recommendations, it is the City Administration's responsibility to establish a target date to implement each recommendation taking into consideration its priority. The City Auditor requests that target dates be included in the Administration's official response to the audit findings and recommendations.

Priority Class ³⁰	Description
1	Fraud or serious violations are being committed. Significant fiscal and/or equivalent non-fiscal losses are occurring. Costly and/or detrimental operational inefficiencies are taking place. A significant internal control weakness has been identified.
2	The potential for incurring significant fiscal and/or equivalent non-fiscal losses exists. The potential for costly and/or detrimental operational inefficiencies exists. The potential for strengthening or improving internal controls exists.
3	Operation or administrative process will be improved.

³⁰ The City Auditor is responsible for assigning audit recommendation priority class numbers. A recommendation which clearly fits the description for more than one priority class shall be assigned the higher priority.

Appendix B: Objectives, Scope, and Methodology

Objectives In accordance with the Office of the City Auditor's Fiscal Year (FY)2022 Audit Work Plan, we conducted a performance audit of the Development Services Department's Code Enforcement Division (Code Enforcement). Our objectives were to:

1. Determine whether Code Enforcement's data is accurate, reliable, and used to inform operational decisions and manage performance.
2. Determine whether Code Enforcement manages inspector/investigator caseloads to optimize compliance timeframes.
3. Determine whether Code Enforcement's policies and practices are equitably and consistently applied across the City.

Scope We reviewed Code Enforcement's efforts to conduct operations across the City from February 2018 through January 2022. In addition, we conducted interviews with Code Enforcement staff and accompanied staff on inspections in January and February 2022. The Development Services Department also operates the Local Enforcement Agency (LEA), which enforces laws around proper waste handling. However, we scoped this group out of our analysis due to LEA focusing only on solid waste and receiving funds from a fund other than the General Fund.

Methodology The following table explains the methodology we used to address each objective.

Objective	Methodology
<p>Determine whether Code Enforcement's data is accurate, reliable, and used to inform operational decisions and manage performance.</p>	<ul style="list-style-type: none"> Reviewed internal Code Enforcement training materials for the Accela case management system. Interviewed Code Enforcement staff to determine effectiveness of Accela training, extent of supervisory review of data entry, and ability and confidence in using the Accela system. Interviewed code enforcement agencies in the cities of Los Angeles, Oakland, Sacramento, San Francisco, and San Jose to determine which controls are in place to ensure high-quality, reliable data and to learn whether they use data to monitor performance. Completed data reliability testing on several data fields (e.g. date of first inspection, number of inspections, assigned investigator) in Code Enforcement's Accela database.³¹
<p>Determine whether Code Enforcement manages inspector/investigator caseloads to optimize compliance timeframes.</p>	<ul style="list-style-type: none"> Reviewed Code Enforcement's current Key Performance Indicators (KPIs) and internal metrics for length of case data. Interviewed Code Enforcement staff and accompanied them on inspections to determine the processes for handling long-term cases, current workload and staffing levels, policies around re-inspection fees, and internal processes around notices and case escalation. Benchmarked Code Enforcement's staffing levels by reviewing budget documents and interviewing management and staff from code enforcement agencies in the cities of Los Angeles, Oakland, Sacramento, San Jose, and Long Beach (budget documents only). Analyzed the population of Accela cases opened during our scope period for initial inspection response time, rate of open cases against rate of closed cases, issuance of re-inspection fees, and date of last case update.³²

³¹ For data reliability testing, we took a sample of 377 cases, resulting in a 5 percent margin of error and a 95 percent confidence level.

³² We analyzed 17,752 code enforcement cases opened in Accela between February 1, 2018 and January 31, 2022, with case notes and information updated as of February 16, 2022.

	<ul style="list-style-type: none"> Analyzed a sample of Accela cases for the issuance of a violation notice and a violation notice follow-up inspection.³³
<p>Determine whether Code Enforcement's policies and practices are equitably and consistently applied across the City.</p>	<ul style="list-style-type: none"> Analyzed Code Enforcement cases looking for differences in fines or penalties and success in achieving response time goal against equity metrics like race, age, income, language, etc. Interviewed other agencies to determine what role equity plays in decision-making and policy direction.

Internal Controls Statement

We limited our internal controls testing to specific controls relevant to our audit objectives, including controls for internal data reliability and reporting methodologies, controls for case management and closure, controls to ensure adherence to Code Enforcement policies and procedures, and controls around equitable and consistent treatment of different groups.

Compliance Statement

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

³³ From our data reliability testing, we analyzed 176 cases that were New, Active, or Closed-Voluntary/Involuntary before December 1, 2021. To perform this analysis, we reviewed virtual Code Enforcement case files.



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: June 8, 2022

TO: Andy Hanau, City Auditor, Office of the City Auditor

FROM: Elyse W. Lowe, Development Services Director

SUBJECT: Management Response to the Office of the City Auditor's Performance Audit of the Development Services Department's Code Enforcement Division

A handwritten signature in blue ink that reads 'Elyse W. Lowe'.

This memorandum serves as the management response to the Performance Audit of the Development Services Department's Code Enforcement Division (Performance Audit.) At the time this response was written, the draft Performance Audit provided to management contains three findings and ten recommendations directed to the Development Services Department's (DSD) Innovation & Technology Division (IT), Business Operations Support Services Division (BOSS), and Code Enforcement Division (CED.)

DSD staff and management appreciate the Performance Audit prepared by the Office of the City Auditor and thank the staff involved in preparing the audit. Management agrees with the recommendations within the Performance Audit and this management response highlights those recommendations that will need additional resources to implement.

DSD IT agrees with Recommendations 3, 7, and 9 requiring Accela modifications and improvements specific to CED's Accela Module and looks forward to implementing these changes.

DSD BOSS agrees with the Recommendations 2 and 9 that correspond with Key Performance Indicators and looks forward to implementing these changes when creating future DSD budget reports.

For DSD CED, the full implementation of Recommendations 1, 2, 3, 4, 5, 6, 8, and 10 are dependent of the addition of 1.00 Program Manager position, 1.00 Senior Planner – Code Enforcement Coordinator position, 2.00 Senior Combination Building Inspector positions, 5.00 Combination Building Inspector positions, and 2.00 Senior Zoning Investigator Positions. These positions will help address the recommendations requiring more manageable caseloads and increased oversight. Note, DSD has already requested the 1.00 Senior Planner – Code Enforcement Coordinator position, 1.00 Senior Combination Building Inspector position, and 5.00 Combination Building Inspector positions in the FY 2023 City Budget.

As highlighted by the Office of the City Auditor (OCA) in their report, CED has made improvements since their last audit in 2015. The 2018 implementation of Accela was

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instrumental in facilitating these improvements; however, OCA has found that improvements in how CED utilizes Accela will result in more accurate reporting and assist CED senior staff with oversight and allocation of resources. Additionally, OCA found that per capita, the City allocates fewer resources to code enforcement when compared to other cities in California.

DSD takes pride in CED's dedicated staff and their commitment to providing professional and equitable code enforcement to San Diego's citizens and visitors to ensure safe and livable neighborhoods. DSD was pleased to see the audit team found no evidence of biased enforcement based on sex, age, race, ownership status, language proficiency, or income.

Recommendation 1: To address the issue of new/active cases not receiving an initial inspection on time or any inspection at all, the Development Services Department should re-implement and update as needed its Voluntary Compliance Program, while also maintaining its current Alternative Compliance Program, to help reduce the total number of new cases that are assigned to investigators.

The Voluntary Compliance Program should allow for cases to go through the regular case progression if the complainant is not satisfied or if the violation persists. The Code Enforcement Division could use this procedure to respond to low-priority cases that involve the following case types:

- Fences/Walls
- Mobile Food Trucks
- Excessive Storage in Garage
- Outdoor Merchandise Displays
- Outdoor Storage
- Vehicle Repair
- Roosters

(Priority 2)

Management Response: Agree. CED staff will create a Voluntary Compliance Program to complement its Alternate Compliance Program. Staff will develop procedures for the program, draft compliance letters that will be issued to complainants and responsible parties, train staff on the new procedure, and perform outreach to City Council staff to introduce the program. CED notes that the ability to create a Voluntary Compliance Program will hinge upon the addition of 1.00 Program Manager position and 1.00 Senior Planner – Code Enforcement Coordinator position to develop the program, create a procedure, train staff, and provide outreach.

Target Implementation Date: July 1, 2023

Recommendation 2: To ascertain staffing needs in both Finding 1 and Finding 2, and to better articulate resource needs and budget requests with evidentiary support, the Development Services Department (DSD) should:

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Establish a Key Performance Indicator (KPI) for the optimal average caseload for the Code Enforcement Division's building and zoning investigators. DSD should report this key performance indicator (KPI) in its annual budget document.

(Priority 2)

Management Response: Agree. CED staff will update its KPIs to include optimal average caseload for investigators and report these statistics to be reported to BOSS for inclusion in annual budget documents.

Target Implementation Date: July 1, 2022

Recommendation 3: To help investigators and management better organize and analyze case data, the Development Services Department (DSD) should create or expand fields for the following case information in Accela:

- Indication of a special project that does not follow the regular complaint procedure;
- Notice and Fine Detail; and
- Status (both Active and Closed). Add at least the following choices:
 - Status for Admin Hearing;
 - Awaiting Permit; and
 - Referred to City Attorney's Office

(Priority 2)

Management Response: Agree. IT will implement additional Accela fields that can be used to accurately track issued remedies, case status, and special projects.

Target Implementation Date: July 1, 2023

Recommendation 4: After expanding Accela field options, to consistently analyze data on an aggregate level, the Development Services Department should create a data dictionary for Accela that clearly defines choices for at least the following fields:

- Types of Inspections (specify which ones contribute towards Re-Inspection Fees);
- Active Case Status; and
- Closed Case Result.

(Priority 2)

Management Response: Agree. CED staff will create a data dictionary to define types of inspections, case statuses, and closed cases. CED notes that the ability to create a data dictionary in a timely manner will hinge upon the addition of 1.00 Program Manager position to develop the dictionary, create a procedure, and train staff.

Target Implementation Date: July 1, 2023

Recommendation 5: In order to maintain ongoing involvement in long-term cases, the Development Services Department (DSD) should update Code Enforcement's Procedures

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Manual and Accela training materials to require all new or active cases to have a workflow task scheduled with target due date for next step in the case management process, and to require investigators to check the "My Tasks" dashboard in Accela daily. Examples of possible workflow tasks include:

- Estimated inspection date of initial inspection;
- Compliance inspection after issuance of a notice; and
- Estimated permit completion date.

(Priority 2)

Management Response: Agree. CED staff will update procedures to require Accela Workflow tasks to be scheduled, monitored daily, and updated in a timely manner by investigators. CED notes that the ability to update procedures in a timely manner will hinge upon the addition of 1.00 Program Manager position to update procedures and train staff.

Target Implementation Date: July 1, 2023

Recommendation 6: In order for the Development Services Department (DSD) Code Enforcement Division's management to better track aggregate case data, DSD should update Code Enforcement's Procedures Manual and Accela training materials to include the following:

- Investigators should list all zoning/building violations in "Violation Table" in Accela; and
- Investigators should enter pertinent case information, such as Civil Penalty Notice and Order and Administrative Citation/Warning issuance date, compliance date, and fine/penalty amounts, into the Civil Penalty Notice and Order and Administrative Citation Warning fields in Accela.

(Priority 2)

Management Response: Agree. CED staff will update procedures to require all observed violations and issued remedies be entered in Accela in a timely manner by investigators. CED notes that the ability to update procedures in a timely manner will hinge upon the addition of 1.00 Program Manager position to update procedures and train staff.

Target Implementation Date: July 1, 2023

Recommendation 7: To address Finding 1 and to give more information to supervisors and managers, the Development Services Department (DSD) should develop and utilize tools such as Accela reports or online dashboards that include the following:

- New or active cases that do not have an initial inspection and the number of days from case open date;
- All cases with number of inspections and whether they have a re-inspection fee issued;
- All active cases open longer than 90 days without a notice issued;
- All active cases without an update in the last 90 days; and

- All active cases with most recent workflow task.

(Priority 1)

Management Response: Agree. IT will create reports using Accela data that identify cases missing the following information: initial inspections, required re-inspection fees, issued remedies, and workflow updates. CED staff will train senior staff on how to run new and existing reports to address missing information and out of date workflow tasks. CED notes that the ability to test new reports and train staff will hinge upon the addition of 1.00 Program Manager position.

Target Implementation Date: July 1, 2023

Recommendation 8: To help Development Services Department (DSD) Code Enforcement Division's supervisors hold investigators accountable, DSD should update Code Enforcement's Procedures Manual to require Code Enforcement senior investigators to regularly review individual investigators' caseloads to identify and follow-up on cases that have had no updates in the past three months. DSD should consider the following:

- Supervisors should filter out cases that they do not expect investigators to actively work when reviewing individual investigators' caseloads to identify cases that have no updates for at least three months.
- During their review of individual investigators' caseloads, management should require supervisors to ensure that investigators provided a written notice to the property owner for all active cases with violations, as well as ensure cases with three or more follow-up inspections have had a re-inspection fee issued.

(Priority 2)

Management Response: Agree. CED staff will create a policy requiring senior staff to use reports implemented in Recommendation 7 to review individual investigators' caseloads, issuance of required re-inspection fees, and appropriate case responses. CED notes that the ability to implement Recommendation 8 will hinge upon the addition of 2.00 Senior Combination Building Inspector positions and 2 Senior Zoning Investigator positions to reduce team sizes to a maximum of four investigators to allow thorough review of individual caseloads and performance. Currently, teams have up to six investigators. Additionally, CED notes that the ability to update procedures in a timely manner will hinge upon the addition of 1.00 Program Manager position to update procedures and train staff to use reports.

Target Implementation Date: July 1, 2023

Recommendation 9: To address the misreporting of key performance indicators (KPIs) and inaccurate tracking of response time, the Development Services Department (DSD) should create and use a report from Accela that accurately measures Code Enforcement's progress of initial response time. This report should include cases opened in the current fiscal year that:

- Have received an inspection; or that
- Have no inspection but are beyond the goal response time.

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Additionally, the basis of DSD's annual KPI reporting should be this report pulled on a date at least eight months after the start of the reported Fiscal Year.

(Priority 2)

Management Response: Agree. IT will create reports using Accela data that identify cases by fiscal year that have received an inspection or have no inspection within the expected goal response times. CED and BOSS staff will run reports for KPI reporting at least eight months after the start of the reported Fiscal Year.

Target Implementation Date: July 1, 2023

Recommendation 10: To address data reliability issues, DSD should create a checklist for online case files and Code Enforcement's Procedures Manual should require Code Enforcement management to conduct periodic audits of cases using this checklist. The checklist should check for both accuracy and completeness of the Accela case file and should include at least:

- Date of First Inspection;
- Number and Type of Inspections;
- Number and Type of Violations;
- Number and Amount of Fines/Fees;
- Complaint Details;
- Completed Workflow and Activities; and
- Closed Status.

Based on the results of the audits, Code Enforcement's Procedures Manual should outline appropriate management response when issues with investigator performance are identified.

(Priority 2)

Management Response: Agree. CED staff will create a case closure checklist to ensure senior staff are closely reviewing all cases for confirmed inspection, appropriate remedy issuance, and application of required re-inspection fees. CED notes that the ability to create a closure checklist in a timely manner will hinge upon the addition of 1.00 Program Manager position to create the checklist, update procedures, and train staff to use checklist.

Target Implementation Date: July 1, 2023

Thank you for the opportunity to provide responses to these recommendations. Management appreciates your team's professionalism throughout this review.

Thank you,

Elyse W. Lowe
Development Services Director

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Andy Hanau, City Auditor, Office of the City Auditor

June 8, 2022

EL/LS/lb

cc: Paola Avila, Chief of Staff, Office of the Mayor
Jay Goldstone, Chief Operating Officer
Charles Modica, Independent Budget Analyst
Matthew Vespi, Chief Financial Officer
Kris McFadden, Interim Deputy Chief Operating Officer
Jessica Lawrence, Director of Policy, Office of the Mayor
Christiana Gauger, Chief Compliance Officer, Compliance Department
JC Thomas, Assistant Director, Development Services Department
Gary Geiler, Assistant Director, Development Services Department
Leslie Sennett, Deputy Director, Development Services Department