



PROMOTE UTILITY PARTNERSHIPS FOR HOUSING

ISSUE

Builders are often faced with uncertainty when it comes time to interface with utilities during the development process. On the front end of a project, builders endure long and uncertain processing times to obtain project approval and, dramatically increasing development cost which ultimately delays the availability of housing units for desperate home seekers. Development processing often exceeds one and a half or even two years.

On the back end of a project, builders must rely on utilities to “energize”—or provide power—to a project, as well as installation and enabling water and gas meter usage. Because this is the last step a builder must perform before Certificate of Occupancy can be given and a homeowner/renter can move in, delays during this crucial crunch time result in homeowners/renters left in the lurch: new residents have already scheduled movers and/or terminated leases, and new homebuyers/renters have locked-in a credit rate which expires shortly after closing. Delays past this expiry date could mean a homebuyer loses their credit rate, and worse, could mean they must scramble to find a temporary place to stay until their home becomes available.

BACKGROUND

Due to labor shortages and cumbersome hiring procedures, utilities are extremely understaffed. This contributes to project bottlenecks in multiple departments. Furthermore, utilities may need to adhere to strict union hiring and working standards, which require several procedural layers of red tape to perform simple tasks. Finally, some utilities operate on antiquated software systems—and still use paper, in some instances—compounding an already strained workforce.

SOLUTION

Utilities should partner with local municipal agencies/departments and the building industry to find solutions that help overcome the issues described above to help bring housing units online with fewer delays. It will also add certainty to the process, therefore reducing costs to provide housing, and ultimately encouraging additional investment in residential projects.

1. Increased Manpower = Well Paying Jobs.

Cumbersome hiring procedures and staff shortages have led to the current backlog of projects. This can be addressed by increasing the labor pool and allowing flexibility within hiring procedures. This would take pressure off both existing management personnel and construction crews, and additionally, be good for the local economy and housing availability.

2. Remove red tape pertaining to hiring and overtime processes: encourage creative and flexible structures and systems for handling workload and management issues. Staffing shortages could be tackled in two potential ways: by enabling applicant design, and/or by temporarily rehiring and/or contracting with retired utility workforce.

3. Encourage jurisdictions to partner with utilities to identify and reduce or eliminate delays and inefficiencies. This may include examining all current processes for streamlining opportunities, such as modifying restrictive street access times for utility infrastructure project work done in City streets.

4. Establish realistic timelines and work to establish written standards on how long processes should take. Adhere to clear, guaranteed timelines for project delivery. Create metrics to monitor whether these standards are being met.

5. Develop new/improved IT systems that better manage communications and allow builders to track online applications, design status, permitting status, billing and project management.

6. Review population and anticipated growth maps, and plan to upgrade resources in those areas.

7. Establish a cost cap on utility upgrade costs of 5% of building valuation for housing projects.