

"THE VOICE OF THE HOME BUILDING INDUSTRY"



The Building Industry Association of Southern California (BIA) is a nonprofit trade association representing over 1,200 member companies involved in planning and building Southern California communities. The Baldy View Chapter, which oversees the San Bernardino County region, serves alongside three unified chapters within - BIA. We are also an affiliate of the National Association of Homebuilders (NAHB) as well as the California Building Industry Association (CBIA) - a statewide trade association representing more than 5,000 companies. Since 1938, the BIA Baldy View Chapter has remained committed to providing Inland Valley families with access to the "American Dream" of homeownership. The Baldy View Chapter is committed to helping our members build quality communities for the region's growing population, to increase the public appreciation of the importance of housing and to facilitate improved business opportunities for our members. At BIA, we believe that homeownership strengthens families, stabilizes communities and fosters economic prosperity.



Baldy View Chapter

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CULTURE OF COLLABORATION

BIA's goal is to foster a Culture of Collaboration between local government and the home building industry. Developers and home builders are deeply invested in the communities they create and in the future of growth, health and prosperity of the community at large. Included in this document are best recommended practices associated with the Countywide Vision in Action Workshop.



Baldy View Chapter

BEST RECOMMENDED PRACTICES



2014

BIA BEST PRACTICES

1 Customer Service

Improving customer service experience is a proven method to grow any business and has virtually no added cost.

Establish a 12-hour Call Back Window Policy:

Practice professional & courteous communications which allows for status updates, information request and transparency.

Electronic Submittal & Approval System:

Online tracking and status updates saving time for both the staff and applicants. Improved systems yield higher compliance and monitoring abilities with less misfiles.

Establish Single Point of Contact:

A "Point Person" simplifies communications and creates ownership of the process. Cross train staff to enable them to identify potential issues from other departments.

2 Well Defined Pre-Submittal Meeting

A well-established pre-submittal meeting can create a truly streamlined approval process.

Decision Makers:

Include Planning Commission and City Council members in pre-submittal meetings, allowing for familiarity before public hearings.

Establish Specific Timetable:

Use "backcasting" to establish a finish date and timetable that both the applicant and city can agree to meet. Determine guidelines and rules of order for pre-submittal meetings to ensure consistency and clarity. Keep requirements separate from recommendations.



3 Information & Communication

Accurate information and open communication are crucial for applicant and staff to avoid duplication of work and loss of time.

Flow Charts & Detailed Timetables:

Frequently updated information about the submittal process should be easily and readily available to the development community in a variety of formats. Applicants will benefit from a better understanding of submittal requirements/procedures, saving staff labor.

Examples & Exhibits:

Do not assume the applicant will "figure out" design solutions on their own. Cities should assemble detailed examples of community design values (include examples considered exceptional or poorly executed - provide commentary).

Strive to Meet Flowchart & Timetable Expectations:

Contact applicant promptly if target time frames are exceeded or deviations from approval process occur and identify how to get back on track. Avoid generic comments and allow a follow-up meeting to discuss plan check comments.

Feedback:

An exit interview should be offered at the end of the process which can provide valuable information for future improvements.

4 Policy Making & Engaging Stakeholders

Engaging stakeholders & the development community is a vital component to ensure that a policy decision is viable and successful.

Schedule meeting with BIA:

Seeking feedback from the businesses community can identify policy benefits and unintentional consequences. Engaging builders, developers, and stakeholders 90-days before a formal policy is proposed (fees, climate action plan, zoning, etc.).

Public Notice:

Additional messaging tools should also be utilized (email, e-newsletter, website, etc.).

5 Fees

DIF Increases:

Refrain from development fee increases for another 18-24 months to encourage additional market recovery.

Phase-In: A gradual phase-in approach over a 2-3 year period will allow the market to better adapt to increasing costs.

Grandfather (Exemption): Projects currently in the midst of the approval process should be exempt from proposed DIF increases.

Defer DIF payment to Certificate of Occupancy (C of O):

By deferring fee payment until C of O, builders will have less carrying costs up front, and the action will ultimately help to stimulate building activity in the region.

ECONOMIC GROWTH STRATEGIES

Renowned economist, Dr. John Husing details several strategies to encourage economic growth.*

Development Impact Fees:

Local officials can seriously consider temporarily cutting developer impact fees (DIF).

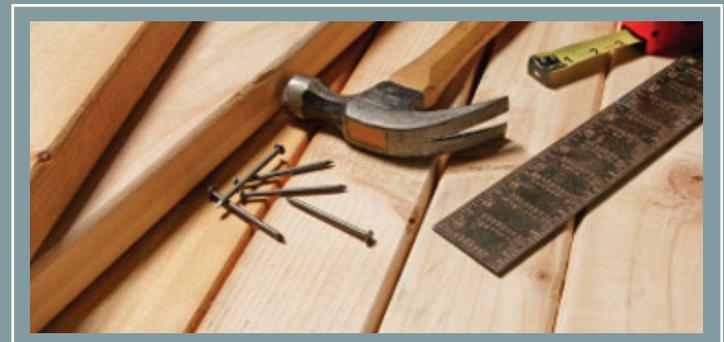
Diversity of Home Sizes:

Local officials can consider allowing smaller homes to be built.

Greater Density/Infill Projects:

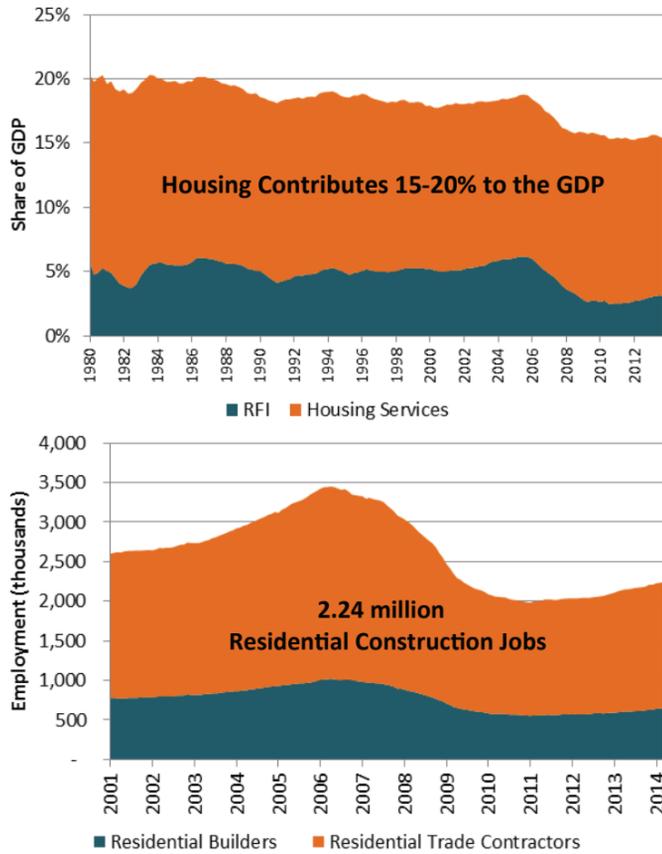
Local officials can consider allowing greater density by allowing smaller lot sizes. This is consistent with the goals of SB 375 which argues for more compact communities.

* Housing Crisis Issues and Potential Strategies (2009).

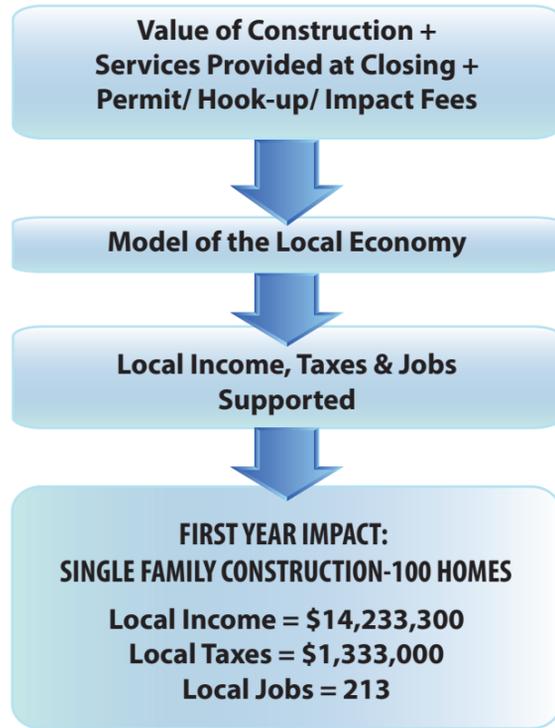


The Economic Benefits of Housing and Home Building

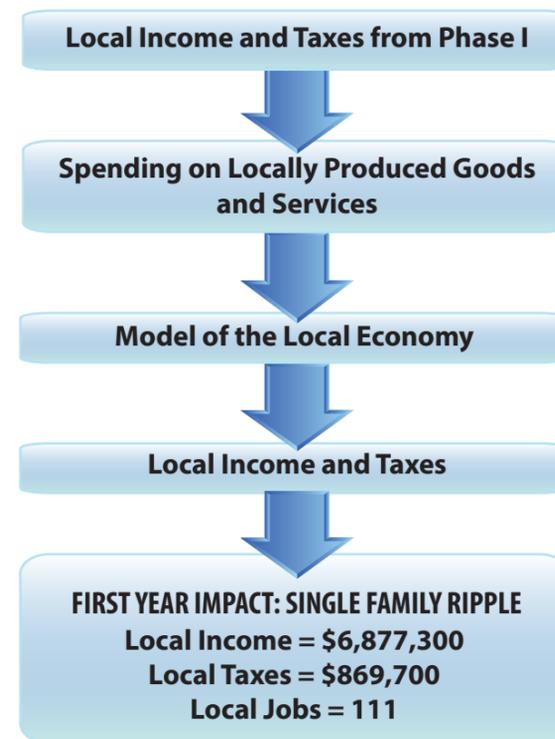
There are three ways housing creates jobs and economic benefits; Construction, "Ripple" Effect from construction spending and Economic benefit of population growth.



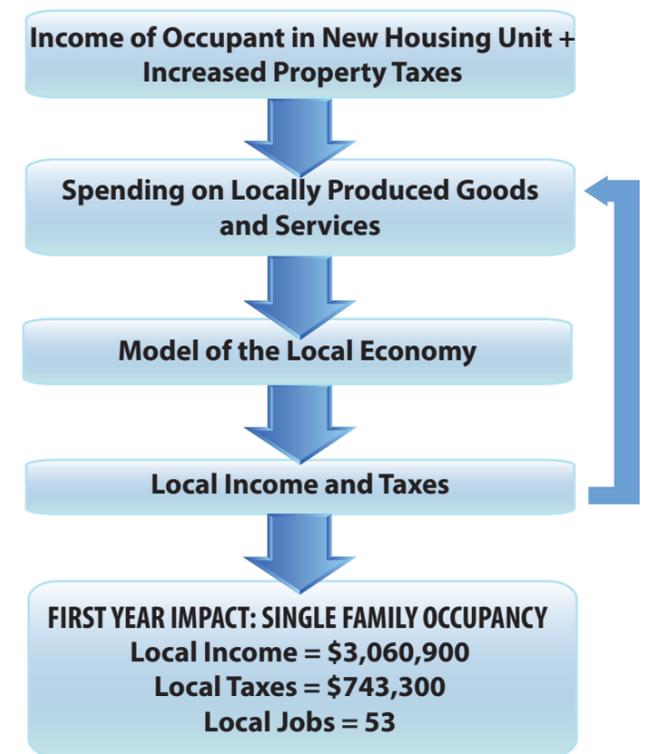
Phase I: Construction



Phase II: Ripple Effect



Phase III: Occupancy Benefit



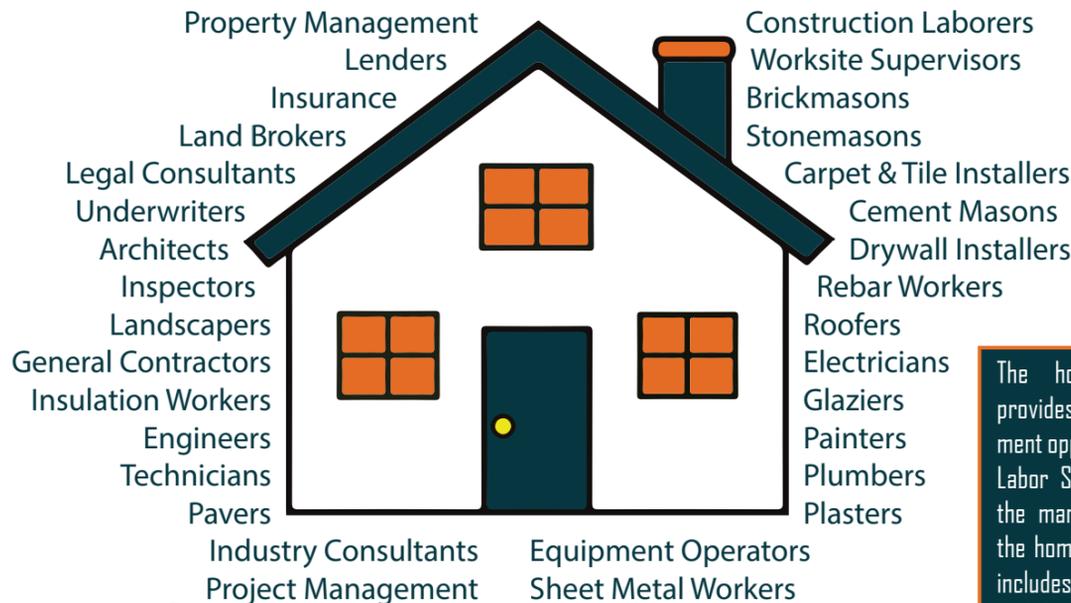
In 2013 Housing's contribution to the Gross Domestic Product (GDP) total was 15.3%. (RFI is residential fixed investment – the direct impact not including spillover benefits). Home building means jobs. 1 SF Home Built = 3 Full Time Jobs, 1 MF Unit = 1 Full Time Job and \$100,000 in Remodeling = 1 Full Time Job. In 2013, the industry created 103,000 new jobs, and is up 257,500 jobs since 2009.

Phase I Local Jobs
147 Jobs in Construction
32 Jobs in Wholesale and Retail Trade
17 Jobs in Business and Professional Services
213 Total Jobs
(One job represents enough work to keep one worker employed full-time for a year.)

Phase II Local Jobs
29 Jobs in Wholesale and Retail Trade
15 Jobs in Food-service Industry
17 Jobs in Health, Education and Social Services
12 Jobs in Local Government
111 Total Jobs

Phase III Local Jobs
14 Jobs in Wholesale and Retail Trade
7 Jobs in Food-service Industry
5 Jobs in Local Government
7 Jobs in Health, Education and Social Services
53 Total Jobs

2.24 Million Residential Construction Related Jobs in the U.S.



The home building industry provides a vast array of employment opportunities. The Bureau of Labor Statistics (BLS) identifies the many job categories within the homebuilding industry, which includes single-family and multifamily housing, as well as residential remodelers.

Housing Pays its Own Way:

New homes will require additional public expenditures and certain capital expenditures on infrastructure. A typical single-family home requires an additional \$4,500 in annual expenditures per year and capital improvement cost per unit of \$23,000 (NAHB national model). When comparing this to the overall benefits of housing the results are clear. Over 15 years, 100 Single-family units generate a cumulative \$13 million in revenue for local governments however only \$9 million in costs equaling a \$4 million net benefits. In other words, **growth is good.**

