

AFFORDABLE MIDDLE-INCOME HOUSING ADVISORY COUNCIL

Cost and Regulations Strategies Workgroup

Seattle Department of Construction and Inspections Permitting Data | May 20, 2019

A. What are average permitting times by building type?

- Intake appointments: Currently "placeholder appointments" can be scheduled even if application materials are not yet ready to submit - Land Use 2-3 months out; Construction 3-4 months out; Mechanical 1-2 months.
- Once complete applications are submitted, you move into the intake express lane and you are eligible for an earlier intake appointment in case of a cancellation. We can usually take in an uploaded application within 2-4 weeks.
- Simple/Medium building permits: 3-4 months intake to issuance on average (calendar days, includes time with SDCI and applicant's response time)
- Complex building permits: 7-8 months intake to issuance on average (calendar days, includes time with SDCI and applicant's response time)
- MUPs: 9-10 months on average (calendar days, includes time with SDCI and applicant's response time)

B. National comparison on permitting times?

Every jurisdiction has a different permit process, so this can be comparing apples to oranges. Staff went to San Jose, Los Angeles, San Francisco and San Jose when Diane Sugimura was Director of SDCI. San Jose in particular was held up as a model for permit process. What we found was that they had a review heavy pre-submittal conference process (pre-intake) that basically conducted all reviews ahead of time so that the "intake to issue" timelines could be reduced to zero. This was incredibly resource heavy and costly to the applicant (all hourly fees like our pre-submittal fees, plus normal value based fees at intake/issue). This was like a "pay to expedite" type of system, which we've done away with due to Race and Social Justice implications. SDCI would be happy to look at these and other similar cities again as permitting processes in peer cities are always evolving, especially in high cost cities.

C. How much is that built into the cost of construction? (Not just the time, but the risk/uncertainty)

This question is best answered by the development/construction industry. We have heard that developers build in 25% of their total costs for "soft costs", of which permitting is one of many components.

D. What would it cost by the City to reduce the timeline? (e.g., To reduce permitting by 50% would take this many more planners, which would cost this much more...)

Adding more staff helps but is only part of the equation. Our Land Use Code and Building Codes continue to get more complex, including recently adopted mandatory housing affordability (MHA) measures and process responses to the Council requested inventive zoning audit which requires careful calculations by SDCI staff. 2016/17 were incredibly high-volume years which put a lot of burden on the permitting system. We are still experiencing high volumes which are leveling, and we are also already positioned to improve performance timelines with current actions already underway (CBA for additional LU positions, hiring processes in Building Plan Review and Structural Plan Review as well as at the Permit Specialist level – though we may still need to address Geotechnical since we are still using a contract employee through the end of 2019 due to peak volumes still moving through post-issuance stages).

The Mayor's Office and CBO just approved contingent budget authority to hire 13 term-limited staff in SDCI's Land Use Division. This comes at a cost of \$1.55 million for the balance of 2019. The positions will be requested as part of the Q2 Supplemental for SDCI and in SDCI's 2020 Proposed Budget.

Process reform can help, as would Code simplification, although code simplification presents political challenges. Seattle's SEPA thresholds, for example, are lower than State requirements. Raising the thresholds to State requirements would require Seattle City Council approval.