



Office of the
Washington
State Auditor
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PERFORMANCE AUDIT

Report Highlights

Growth Management Act: County and city compliance with the state's 120-day permitting requirement

Land developers and builders must obtain permits from their local government before carrying out development or building activity. These permits include land use permits, which deal with dividing parcels of land or whether a proposed project can be built on the specified parcel, as well as civil permits, which deal with preparing land, and building permits, which deal with actual structures and focus on ensuring they meet building codes and safety standards.

Local governments are required to issue a decision on permit applications within 120 days from when they determine the application is complete. If they cannot complete an application within 120 days, state law allows them to follow certain processes. About 50 cities and counties are also required to publish annual reports on the timeliness of their permit reviews. To determine whether local governments are complying with the 120-day rule, including the annual reporting requirement, we selected six local governments, listed in the sidebar, representing high-growth areas in the state.

Local governments included in this audit

- City of Bellingham
- City of Richland
- City of Shoreline
- City of Vancouver
- Kittitas County
- Snohomish County

Audited governments met state-mandated permitting deadlines inconsistently in some areas, sometimes by wide margins

State law sets out a 120-day deadline for local governments to process land use, civil and building permits. Performance of the six local governments against this target varied widely and depended on the type of permit being processed. Audited governments met the state-mandated deadline for more than 90 percent of building permits, but some struggled to process land use and civil permits in time – often by wide margins.

In the case of land use permits, four governments processed at least 75 percent of applications within 120 days. Key factors for slow processing of these permits included project complexity, staffing shortages and inefficient processes. Washington law gives local governments two ways to make exceptions to the 120-day rule. However, none of the audited governments documented the process for extending permit deadlines for specific projects. Two audited governments inappropriately used waivers to eliminate permit deadlines entirely.

Although already using many leading practices, audited governments could adopt practices to further improve permit review times

Although audited governments used many leading practices around permit processing, most did not fully apply practices related to continuous improvement. All audited governments used leading practices related to education and outreach. In addition, most had partially implemented staffing flexibility plans for high-volume periods. However, audited governments could also improve their implementation of continuous improvement practices.

Only one-third of local governments statewide published required annual performance reports on permit processing times

Certain local governments must post annual reports on permit review timeliness. Beyond state law requirements, sharing permit review times with applicants helps ensure predictability, and is therefore a leading practice for all governments. However, only one-third of local governments publicly report on permit timeliness, and even fewer included all information required by law. We examined 18 published government reports on permit processing time, and only four reports contained most required elements.

Revisions to a chapter of state law (RCW 36.70B.080) will change reporting requirements starting in 2025. In addition, the Department of Commerce will have a new role in the process for annual permit reports.

State Auditor's Conclusions

As a former county executive, I found this performance audit spoke directly to the complexities and challenges of processing development permits within the timelines established by the Growth Management Act. Local governments work hard to ensure each permit accounts for the important goals of the Act, including protecting sensitive lands and ensuring new buildings are safe. At the same time, timeliness and predictability in permitting are critical to ensuring Washington can keep pace with its rapid economic and population growth.

As this report explains, audited local governments often met the statutory requirement to process permits within 120 days. However, actual processing times varied widely due to many factors. These can include the complexity of the development, waiting for applicants to submit corrected or missing information, and too few permitting staff. Of the report's recommendations to improve permitting timeliness, I would emphasize continuous improvement. By focusing on issues solidly within its control, such as mapping existing processes, accurately recording work time and analyzing performance, a government of any size can become more efficient.

I like to call this type of improvement "straightening the pipes." The State Auditor's Office offers robust support to such efforts through our Center for Government Innovation. To date, we have helped 30 cities and eight counties improve their permitting through detailed process improvement programs. I encourage local governments to consider the lessons contained in this report and take advantage of the free continuous improvement webinar we will arrange in 2024.

Recommendations

We made a series of recommendations to the six audited cities and counties to address permit review performance that does not achieve 120-day compliance. We recommended the local governments implement continuous improvement methods, and analyze cost of service and staffing levels. We also made recommendations to address a lack of transparency and predictability for permit applicants in their jurisdictions.