Hawaii's Renewable Energy: Permitting

State of Hawaii
Department of Business, Economic Development & Tourism
www.hawaii.gov/dbedt/info/energy

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Facilitator

- HRS 201-12.5 - established a full-time, temporary renewable energy facilitator position within DBEDT with the following responsibilities:
  - Facilitate the efficient permitting of renewable energy projects
  - Improve the efficiency of the permitting process in order to implement key renewable energy projects
  - Coordinate projects on behalf of DBEDT, including the HRS 201N renewable energy facility siting process

Categories of Permit

- Three main categories of permits
  - –Environmental Permits
  - –Land Use
  - –Construction and Operation

Permits that may be required for a renewable energy project

	Env. Review	Env. Impact	Const/ Op	Land Use/ Zoning	Total
Federal	3	15	3	2	23
State	2	19	16	17	54
County	1	3	10	18	32
Total	6	37	29	37	109

Scope of Permits in Hawaii

- Possibly over 100 permits
- 25 Federal, State, and County Agencies
- Agencies with the most impact
  - State DOH, DLNR, Office of Planning; U.S. EPA; County planning offices
- Energy projects are also dependent on the Public Utilities Commission (PUC)
  - Power Purchase Agreements (PPA)
  - Transmission

Applicable Laws*

- HRS 343 – Environmental Impact
- HRS 205 – Land Use Commission
- HRS 196 – Energy Resources
- HRS 201N – Renewable Energy Siting
- HRS 342B – Air Pollution Control
- HRS 342D – Water Pollution

* Partial list

Permits that may be required for a renewable energy project

	Biomass Burning	Geothermal	Wave	Wind	Solar
Federal	14	15	18	11	11
State	43	42	24	25	24
County	31	29	23	25	25
Total	**88**	**86**	**65**	**61**	**60**

Two main types of permits

Ministerial

- Granted if a project meets all established standards set forth in statutes, rules or ordinances.

Discretionary

- Approval from a decision-making authority (Board of Supervisors, Planning Commission, Planning Director)
- Environmental review for potential impacts
- Public hearing

Significance of Discretionary Permits in Hawaii

- **Vested rights** –A vested right allows development of a proposed use of land to proceed even when subsequent changes in zoning regulations render the proposed use impermissible.

- Under Hawaii law, a developer does not have a protectable vested interest in a particular project until it has obtained the last discretionary permit. Kauai County v. Pacific Standard Life Ins. Co., 65 Haw. 318, 332, 653 P.2d 766, 776 (1982) (also known as the "Nukolii" case).

Examples of Discretionary Permits

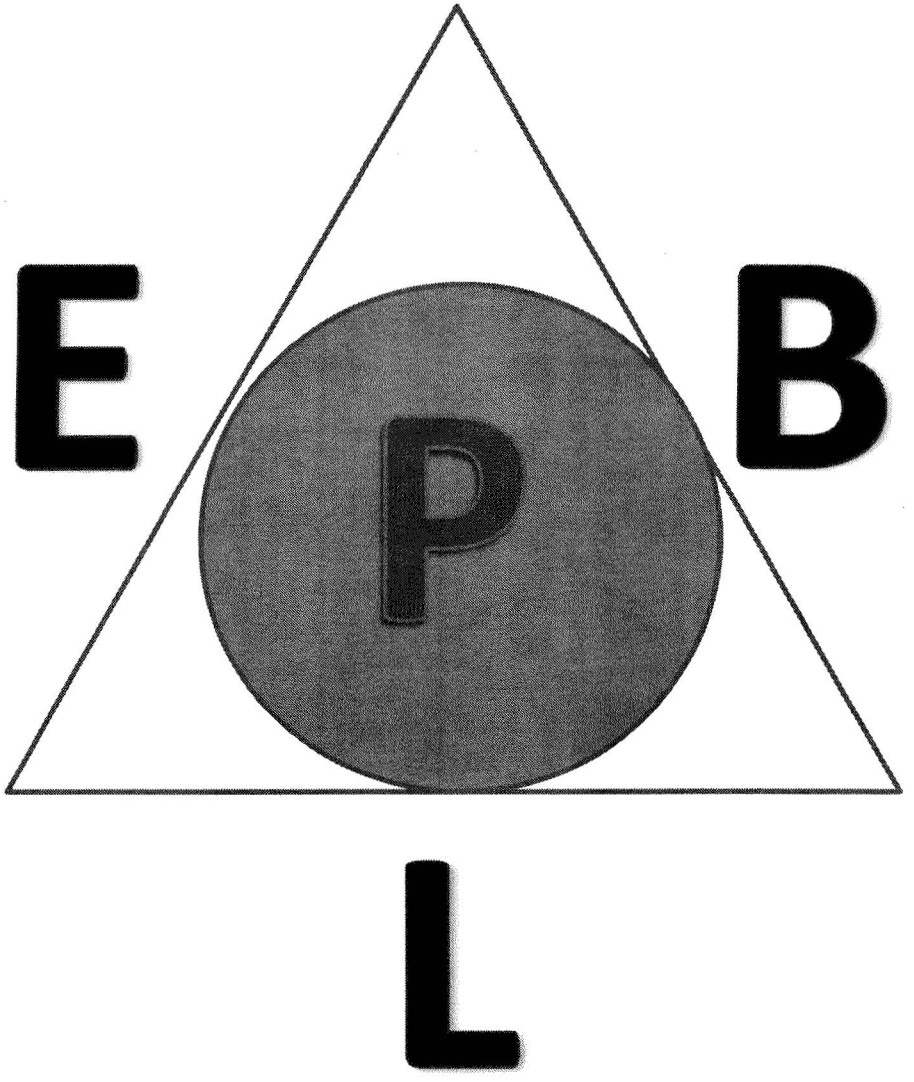
- Clean Air Permit
- Special Management Area Permit
- Special Use Permit
- Water Use Permit
- Stream Channel Alteration
- Well Construction
- Conservation District Use Permit
- Zoning Changes
- General Plan Amendment
- Subdivision

Speed up the process

- State of Washington "Local Government Permitting Best Practices", published in 2008
- Six key points to expedite permits
  - Build mutual understanding
  - Contact stakeholders early
  - Ensure complete applications
  - Analyze process, performance, costs
  - Use information technology
  - Implement system of staff flexibility

Mutual Understanding/Analyze Process

- Questionnaire
- **E**ngineering decisions
  - Design
  - Technology
- **B**usiness decisions
  - Process
  - Location
- **L**egal decisions
  - Environmental
  - Land Use



Contact Key Stakeholders

- Meetings with State and Federal agencies
- Meetings with local environmental and public interest groups
- Community meetings
  - Neighborhood board meetings on Oahu
  - Community meetings on Kauai, Molokai, Lanai, Big Island

Use Information Technology/ Ensure Complete Applications

- Developing an online permitting process with the Department of Health
- Similar to the online permitting process used by the Department of the Commerce and Consumer Affairs

Staff Flexibility

- Chapter 201N authorizes the State Energy Resources Coordinator (Section 196-3) to develop a "permit plan" , and on a fee-for-service basis, assists applicants by coordinating permitting processes.
- Developing administrative rules
  - Based in part on existing rules in Washington and Oregon

Assurance

- Investors universally have pointed to Hawaii's permitting regime as THE hindrance to projects and investments in Hawaii.
- Investors, given Hawaii's poor reputation, want certainty. They do not want to skirt or avoid permitting, but they need certainty.

Our Metric for Success…

Working with agencies, businesses, and communities as partners, we achieve together what none of us could do alone.

"Our performance is measured by the successful transition of the state energy system to clean and secure sources with stable costs, a skilled workforce, healthy businesses, and a strong economy."

State Energy Office

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Local Government Permitting

Best Practices

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WASHINGTON STATE
Governor's Office of Regulatory Assistance

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Local Government Permitting Best Practices

Background and Approach

In 2007, the Washington State Legislature amended the statute that established the Governor's Office of Regulatory Assistance (ORA) and directed that ORA work with local governments to help improve development permitting processes. Knowing local processes must reflect local circumstances, ORA began this project by talking with selected local jurisdictions to assess the status of local permitting statewide. We concluded that many cities and counties have implemented successful programs that speak to local opportunities for streamlining permit processes and reducing turnaround times. These conversations reinforced our early assumption that local control of permitting is a high priority for cities and counties in Washington State.

Using ORA resources, a broad range of local jurisdictions were asked to share their success stories and concerns through a series of open forums. This approach took advantage of ORA's statewide presence and experience with state and federal permit processes. ORA used a consultant, The Latimore Company, with broad experience in local permit process improvement studies to organize and manage the forums and information gathering.

A total of six outreach sessions were held, three for local government and three for the development industry. In addition, ORA posted an online survey, or straw poll seeking input on which practices are most important for efficient and effective permit processing. A total of 126 responses to the straw poll were submitted. The Latimore Company conducted follow-up interviews to gather examples of Best Practices identified in the outreach sessions and through the straw poll.

Along with the outreach activities, ORA and The Latimore Company consulted with representatives from the State Department of Community, Trade and Economic Development (CTED) and the Municipal Research and Services Center (MRSC) in order to incorporate and build on their local government expertise and resources. Comments collected by ORA during a

series of interviews in Snohomish County were also incorporated and are summarized in the Appendices.

Customer Service

Six common themes to drive local government permitting emerged from the outreach sessions, straw poll survey, and other work during this project. The best practices described in this report reflect the collective thinking of many of the most experienced and admired practitioners in our state. These six themes deserve consideration by any jurisdiction seeking a fresh approach to local permitting issues.

What underlies these six themes, and what is often assumed and not explicitly stated from much of the input and commentary supporting this report, is an express commitment to continuously improving customer service. In ORA's experience, a commitment to extraordinary customer service must stand alone and in the forefront of any improvement effort. Many successful businesses do not have the lowest prices, but instead work to develop a loyal and largely satisfied customer base through exceptional customer service.

If this report succeeds in presenting only one concept for improvement, it would be to commit publicly and continuously to providing extraordinary customer service. Start with the "little" things like answering the telephone and responding to email. Greet your customers and find out what they need. Help them manage their time and calendars by having flexible hours or appointment schedules or online systems. Find ways to make your processes transparent and accessible by following the best practice themes identified in this report. Be clear with staff and customers that great customer service does not mean always saying "yes." When applications must be denied or restructured, send those messages early. Be willing to explain the reasons in writing, in person, and if necessary, repeatedly.

A commitment to extraordinary customer service requires visible and continuous effort from all department leaders. Make customer service the top priority in the department. The best

practices of this report flow naturally from an express commitment to extraordinary customer service.

Six Common Themes

1. **Build Mutual Understanding.**
   Bring agencies, industry, elected officials, and the public together to build mutual understanding of the "how" and "why" of the permit process. Work together and educate all participants about how to be effective during permit review.

2. **Engage Reviewers and Stakeholders Early.**
   Connect with reviewers and stakeholders early, before application submittal, so critical design requirements and constraints can be identified and resolved without surprise and rework late in the process. Stakeholders may include local community groups as well as state and federal agencies.

3. **Ensure Complete Applications.**
   Define what constitutes a complete application, make this list clear to applicants, and require these items to be present at submittal. Educate applicants so they understand the requirements. Consider input from applicants when setting the requirements.

4. **Analyze Process, Performance, and Costs.**
   Analyze the process, its performance, and costs of service so applicants and reviewers know how to execute the steps. Mapping the full permit process can reveal opportunities for improvement and serve as part of the basis for determining permit fees.

5. **Use Information Technology.**
   Use technology such as electronic permit tracking systems, geographic information systems (GIS), and the interconnection of these systems online to improve communication, reduce paperwork and build easily accessible project records.

6. **Implement Systems for Staffing Flexibility.**

   Put provisions in place to maintain performance during high volume periods or quickly add specialty skills when needed. These approaches may include temporary hiring, on-call consultants, contracting out, and interlocal agreements.

   Bonus Best Practice

   An additional Best Practice identified for some jurisdictions: Use case managers to coordinate reviews across departments and agencies and provide applicants with a single point of contact. Particularly applicable to larger jurisdictions, however, this approach may not be practical for smaller jurisdictions.

Outreach and Straw Poll Findings

Local Government Outreach Sessions

The three local government sessions were held in Pasco, Clark County, and Pierce County. All three regions have experienced extensive development over the last several years. At each session, the straw poll (see below) was introduced. Attendees were asked to complete the survey and use it to spur their thinking about best practices. As a group, the attendees were then asked to identify and discuss common problems and challenges. Participants were asked to describe techniques that alleviated, resolved, or could resolve these problems. Some challenges and some solutions resonated more with smaller jurisdictions while others resonated with larger ones. A time was reserved at the end of the sessions for each participant to answer the question "If I could change one thing...."

Developer and Builder Outreach Sessions

The three industry sessions were conducted in the same manner as the local government outreach sessions. The sessions were hosted by the Homebuilders Association of the Tri-Cities in Kennewick, the Clark County Community Development Department in Vancouver, and by the Master Builders Association of Pierce County in Tacoma.

Straw Poll

The Straw Poll asked respondents to identify whether their perspective on permit processing came from experience in Government, as a Business/Developer, or as a Citizen. It also asked for the size of the jurisdiction the respondent most commonly worked with. Size was defined only as "small, medium, or large" to be self-selected by the person submitting the survey response. ORA hoped to discover whether some techniques would be viewed as more or less important depending on a jurisdiction's size or population.

The Straw Poll asked participants to rank the importance of 18 common processing steps or practices found in many, but not all, jurisdictions statewide. The back page of the form asked for additional best practices not identified on the front page and provided space for general comments. To accommodate jurisdictions unable to attend the outreach sessions, ORA posted the Straw Poll online and sent email notices statewide of the opportunity to comment.

The results of the Straw Poll were reassuring in their confirmation that the practices identified in the poll were viewed as important practices. The vast majority of responses ranked each of the 18 common practices as either a 5 or a 4. (A ranking of 5 indicated "extremely important." A ranking of 1 meant "not important at all.") The comments submitted with the poll results, however, reveal a wide range of circumstances and local conditions that make easy and uniform answers difficult. In addition, over half the respondents submitted comments with other suggestions for how to improve local government permitting. Finally, as expected, the results show differences corresponding to jurisdiction size, but these differences were not across the board and were not consistent.

Table 1 displays the 18 practices from the ORA Straw Poll and the average ranking based on a one to five scale for all respondents (A ranking of 5 indicated "extremely important." A ranking of 1 meant "not important at all"). Results are broken down by small, medium, or large jurisdictions as self-identified by the respondents. ORA's intent with the poll was to inform and spur people's thinking and to establish a foundation of practices as a general baseline. The results from the Straw Poll should not be read as statistically significant. See the Appendices for complete results for the Straw Poll.

Table 1: Average Ranking for 18 Practices from ORA Straw Poll

		By Size			By Sector	
	All	Small	Med	Large	All Industry	All Gov't
Online GIS maps	**4.20**	4.16	4.20	4.35	4.36	4.16
Help at the front counter	**4.20**	4.16	4.18	4.35	4.36	4.15
Pre-submittal collaboration	**4.21**	4.16	4.22	4.35	4.42	4.16
Pre-app mtgs and early state/fed agency input	**4.21**	4.16	4.22	4.35	4.42	4.16
The "120-day clock"	**4.21**	4.16	4.22	4.31	4.42	4.15
Clear and consistent development regulations	**4.21**	4.16	4.22	4.35	4.42	4.16
Permit staff work with you prior to submittal	**4.19**	4.15	4.18	4.35	4.39	4.13
Hearing Examiner system	**4.21**	4.16	4.22	4.35	4.42	4.16
Consolidated comment letter	**4.23**	4.17	4.22	4.44	4.42	4.18
Consolidated SEPA notices	**4.21**	4.16	4.22	4.35	4.42	4.16
Online tracking systems	**4.23**	4.16	4.22	4.44	4.42	4.17
Cost estimates	**4.21**	4.16	4.22	4.35	4.42	4.16
Turnaround time reports	**4.21**	4.16	4.22	4.35	4.42	4.16
Credit card payment options	**4.21**	4.16	4.22	4.35	4.42	4.16
Single point of contact	**4.22**	4.17	4.22	4.35	4.42	4.16
Complete applications	**4.21**	4.16	4.22	4.35	4.42	4.16
Pre-app site visits	**4.21**	4.16	4.22	4.35	4.42	4.16
Online forms	**4.20**	4.16	4.20	4.35	4.36	4.16

Comments from Straw Poll

Of at least as much interest as the poll results are the comments submitted by Straw Poll respondents. These comments included both support for the basics and variations on the best practices from the Straw Poll:

> Minimize the number of forms whenever possible.
>
> A clear definition for what [makes] a complete application is essential.
>
> Public information sheets or examples on-line of what constitutes a good application that is likely to be found complete would help citizens and applicants know what the standard should be for most applications. Various permit processes require different timelines, which can be confusing to the applicant and public. A development or permit assistance guide that explains how various permit actions are processed is a good way to make the process less intimidating.
>
> 1. Online development regulations and comp plan. 2. Customer satisfaction surveys as tool. 3. Advanced permitting system software. 4. Regular customer service and permit-related training
>
> Turnaround targets for each type of application; permit teams (planning, building, engineering) contact that stays with application through each phase of project development;
>
> To be effective preapplication conferences must clarify all application information requirements and detail the process (including timelines) through which the application, once submitted will be reviewed and acted upon. Agency contact persons must be identified and their contact information provided. Project proponents must be warned of potential red flags and the persons/agencies to contact for working out problems.
>
> 1. Local gov'ts should have service standards that are accepted by all departments that review project apps. - commitment to quick turnaround 2. Organize review structure around the customer (w/excellent permit center staffing and one point of contact who also coordinates reviews/timing of multiple departments) 3. Streamline the overall review process by allowing full civil plan review at the same time as the land use entitlement process, as the City of Vancouver has done (with their 90-day process)

Some comments showed particular sensitivity at the local level to state mandates or highlighted the difficulty of setting uniform standards.

> Do NOT try to make a "one-size fits all" Local Government Permitting system. Local governments come in population sizes of millions to several hundred. What may be a "best" practice for Seattle or King County will surely be too expensive and over-kill for small jurisdictions.
>
> As we saw from the session in Tacoma, agreement to what constitutes a "best practice" will be difficult to nail down. Case in point, many provided an optional, accelerated review process and at least one city did not offer this service. Which of the variations or approaches is the "best practice"? Even if a best practice could be clearly defined, implementation is still the purview of each agency. Local expertise, capacity, system capabilities and organization norms will affect the outcome of the improvement effort. How would best business practices be identified and normalized for replication across multiple agencies and permitting systems? What is the expected outcome and how would success be determined?

Other comments looked broadly at regulatory structures or commented on the difficulties faced by jurisdictions with limited financial resources:

> Reduce or eliminate the number of permits required and the review process therefor when regulations are clearly spelled out.
>
> Make the submittal requirements consistent for all jurisdictions
>
> Projects that ... would have significance to the state should have a fast-track process ....
>
> ... I have a hard time commenting on what I think is important as opposed to what I know is financially possible. In an ideal world, the answers would be easy. In reality, our county cannot afford the implementation and maintenance of a GIS system, (from which all or many blessings would flow). To accomplish GIS, other services or staff would likely have to be reduced. ...
>
> We cannot afford a single point of contact for all applicants, but we can and do set up special meetings that function as a single point of contact when it is beneficial... There are four ideas we use here that may benefit other small jurisdictions:
>
> -An "OK-Club meeting,
>
> -A zoning-inquiry form and database,
>
> -Sending an "informal transmittal" to the Board of County Commissioners prior to formal transmittal of documents about which they make final decision (such as zoning amendments, etc.), and
>
> -Guides that assist people through the permit process...

See Appendices for a complete showing of all Straw Poll comments.

If I Could Change One Thing

The Straw Poll, as well as the outreach session discussions, asked participants to identify things they would like to change. These comments revealed a wide range of perspectives and opinions. Certain issues arose at each location and may point to areas with opportunities for improvement. Note that many of these issues are policy or legislative issues outside the scope of this best practices report.

From local government participants, ORA heard widespread concern about tight budgets and a desire for guidance about how to set permit fees. The concern about what costs can be included in permit fees has been generated by recent lawsuits challenging building permit fee structures. ORA also heard smaller jurisdictions seeking more assistance from state agencies, while larger jurisdictions prefer the state delegate more authority and responsibility for some aspects of

permitting. Increasing the exemption level for the State Environmental Policy Act (SEPA) was a popular theme, as were variations on the theme of consolidation of Growth Management Act, Shorelines Management Act, SEPA, and other land use and environmental permitting requirements.

A desire for consistency within a single jurisdiction, between adjacent jurisdictions (or all jurisdictions), and among local, state and federal agencies, was a common theme from government, from the development industry, and from citizens. A part of this concern reflects city and county disagreements about development standards in unincorporated urban growth areas that cities feel pressured to annex.

The need for predictability and consistency arose at industry sessions, flanked by a desire for flexibility so long as appropriate performance standards or code requirements are met. Developers look for "go fast" options, which they are often willing to pay for, while local governments seek ways to respond more flexibly to changing staffing needs. (See Best Practice #6).

A sampling of "change" comments from the online Straw Poll is included below. The comments were unscientifically selected to illustrate the variety of input received. Review the Appendices for a complete showing of all comments.

> We owe the public a coordinated approach to permitting not an approach that is fragmented by department or agency lines. Creating that outcome requires cities, counties, and the state to work together to create a coordinated, predictable, and timely set of processes and regulations. We should maximize available technology to align service delivery, improve communication between state and local government, and improve our efficiency. We use a wide range of systems and processes to accomplish the same work -- enforcing development regulations and issuing permits..... why? We should explore opportunities [to align] ... technologies ... and how we use them.
>
> 1. Increase SEPA Categorical Exemption thresholds in urban areas, or allow projects to be exempt from SEPA in urban areas when local development regulations cover all areas of impact. 2. Funding for electronic plan submittal/review software and hardware.
>
> I would like individuals such as me to be assigned an advisor to assist him through the permit process. This would have saved me countless sleepless nights, tears and frustrations, and a building inspector's insensitive remarks.
>
> Consolidate review of applications by agencies with jurisdiction over wetlands and water courses.

Get DOE and the USACE out of the review process.

A standard state permit and license system for roofing contractors

Speed up the review process. Offer an option to pay for outside consultants or overtime to speed up the process.

Less prescriptive regulations. What's the use of requiring professional licensing if designers are stifled by regulations that disallow creative solutions to problems that do not fit nicely into a prescribed format. Place the burden of liability back on to the designers, not the jurisdictions; that's what they are willing to accept as professionals.

Tighter collaboration and service delivery. It feels like the state behaves as a separate entity with a different set of goals apart from local governments. This creates a different experience for applicants and unpredictable outcomes, particularly with the timing of permit issuance, local vs. state. Explore options to eliminate redundancy between local and state regulations (environmental with ecology, building codes with Dept. of Health, and DSHS)

Six + Practices for Effective Permitting

First, commit to providing extraordinary customer service. Then develop specific practices that respond to the six themes discussed below. Allow local circumstances to shape your practices, but look to the future. Consider risk taking and risk management. Come back frequently to the question: Are you providing extraordinary customer service[1]?

Six Common Themes

Each theme is discussed below to provide further insight and to inform future discussions about permitting best practices. Specific examples of what has worked well in particular local jurisdictions as well as contact information for the examples are provided in the Appendices.

[1] Seek other resources for assistance in defining the customer and expanding approaches to and capacities for customer service.

1. Build Mutual Understanding

One of the first Best Practices to solidify during the outreach sessions was to find ways to break down communication barriers and build understanding between local permitting departments, applicants, consultants, related local and state agencies, elected leaders, and the general public. Building mutual understanding of land development permitting and the construction and inspection processes levels the playing field. Mutual understanding tends to create more open communication which allows participants to discover or explore opportunities for improving the process together. The result, overall, is a more predictable and efficient permit review process.

One approach is to provide a forum, such as a technical seminar, for industry and permitting departments to get to know each other and better understand each other's requirements and objectives. Technical seminars, when combined with opportunities to talk informally or share time in a brown bag lunch setting, allow participants to sharpen technical skills and put faces to names. This fosters working relationships that ease permit coordination later. Explaining why things work the way they do can dissolve legends and misconceptions that cloud the permit process. One jurisdiction customized its sessions by identifying the most common problems encountered by staff when reviewing initial plan submittals. They then focused on techniques for applicants to avoid these common problems.

Another similar approach is to provide training or discussion forums for permitting staff and local citizens. Seminars on how permitting works, what reviewers consider when working on a project, how to make incisive and influential comments to the reviewers, and agency roles and responsibilities comprise an effective "Permitting 101" course. This approach prepares citizens for the process ahead, adds a human dimension to an otherwise obscure process, and increases the likelihood that stakeholders will engage early and effectively.

A third approach emphasizes the importance of education for staff and an understanding of the entire regulatory picture. Agency directors, sometimes with support from elected leaders, provide inter-departmental and inter-agency staff groups with an opportunity and direction to learn from each other about each program's goals, respective procedures, and why a department or program operates as it does. Participants in the training and education sessions should include

senior personnel as well as line staff. When possible, ORA recommends expanding at least one of these training or education sessions to include regional, state and federal agencies as well.

Elected leaders might be encouraged to attend any of the technical forums, permit trainings, or interagency education sessions to gain an understanding of the range of issues and priorities that enter into permit processing discussions. This helps elected officials respond to constituents and can inform their thinking about how to plan and budget for appropriate levels of service in the various departments.

2. Engage All Reviewers and Stakeholders Early

Early engagement provides reviewers an opportunity to see what the applicant proposes, discuss requirements that would influence project design, and discuss options for avoiding and minimizing adverse impacts. The process forward can be clarified. Early outreach to neighbors or community interest groups by an applicant can do much the same for public or stakeholder review.

Early engagement can take several forms. Local permitting departments routinely answer questions at their counters and over the telephone. Many of these are from prospective applicants contemplating some form of development and are interested in permit requirements. For projects minor in scale, this type of counter or telephone assistance is often sufficient, as long as those answering questions are well versed in a wide range of topics and requirements. Many jurisdictions have found that placing senior staff on counter or telephone duty, or providing intensive and excellent training for front counters staff pays off when important but less-than-obvious issues are identified early.

For more complex projects a more involved pre-application meeting is usually recommended. Some jurisdictions require pre-application meetings. As noted in a comment submitted on the Straw Poll:

> To be effective preapplication conferences must clarify all application information requirements and detail the process (including timelines) through which the application, once submitted will be reviewed and acted upon. Agency contact persons must be identified and their contact

information provided. Project proponents must be warned of potential red flags and the persons/agencies to contact for working out problems.

It may be noted here that in order for a pre-application meeting to provide the information described above, an applicant must submit detailed information about the proposed site, initial project objectives, and at least a start on project design.

Many jurisdictions charge for pre-application meetings. As the cost of pre-application meetings increases, the willingness of applicants to attend a pre-app can decrease unless they perceive real benefit from the meeting. In some cases, jurisdictions apply the pre-application fee to other permit costs when the full application is submitted. ORA encourages jurisdictions to consult with applicants about whether their pre-application meetings provide value on par with the relevant fee.

Outreach participants from several regions indicated they would like to coordinate review procedures and timelines with state agencies. Common frustrations from local governments included not receiving comments from state and federal agencies, comments that were too general, or responses not received in a timely manner. Cited were examples where local agencies had to choose between issuing a local permit to meet regulatory timelines or waiting to receive outside agency comments.

Several jurisdictions, particularly those in urban settings, encourage applicants to talk with neighbors early, before formal submittal. Some require mandatory neighborhood meetings, particularly for projects requiring conditional or special approvals where the zoning code provides flexibility on how to meet development standards. By working with the community early in the process, applicants learn about site history, potential areas of concern and appeals, and what changes to the project might deflect a controversial issue. Many neighbors also appreciate advance notice of construction.

3. Ensure Complete Applications

The third Best Practice is to define what constitutes a complete application for your jurisdiction and verify that these materials have been included with each application at the time of submittal.

A popular and useful format for conveying these requirements is an intake checklist. The checklist indicates what must be presented at submittal for a given application type, such as a residential building permit, a proposed subdivision, or a commercial site plan or design review.

Checklist items may be codified in local regulations to assure consistency, but many jurisdictions adopt their requirements administratively. Administrative adoption has the advantage of simpler revisions for minor changes or changes that reflect new technologies, information, or resources.

A good intake checklist identifies the information that staff need for conclusive review. The specific items vary based on the type of permit and the characteristics of the local jurisdiction.

Most outreach participants agreed that simple to moderately complex projects should be screened at the counter for completeness before being accepted by the permitting department. At submittal, a staff member familiar with the particular application type verifies whether each required item is present. When all items are located, the application can be accepted as complete under RCW 36.70B.070, and routed for staff review and public notice. If items are missing, these are highlighted on the checklist, explained, and the application is not accepted. Instead, the application is returned to the applicant for collection of the missing items.

For application types that would require lengthy counter checking or a range of different skills to verify completeness, some jurisdictions schedule an intake meeting. An intake meeting assembles project reviewers together with the applicant and his or her design team to conduct completeness screening live and interactively. This process takes less than an hour in most jurisdictions contacted for this report. Only complete applications are accepted. Incomplete applications are not accepted, and deficiencies are explained at the intake meeting.

4. Analyze Process, Performance, and Costs

The fourth Best Practice recommends analyzing your permitting process, performance, and costs of service. Analysis of the process and performance trends reveals and allows prioritization of opportunities for improved predictability, efficiency, speed, and collaboration. When the whole process is visible, inefficiencies leap out. Cost of service analysis quantifies the direct labor and overhead each type of permit requires and provides a basis for choosing how much of this cost is paid through fees and what is paid from other sources.

Which comes first? Either. If you start with process and performance, the cost analysis can be based on more efficient methods. If you start with cost, the process and performance work can be focused on the most expensive areas.

Permitting departments have used a variety of methods and models for process mapping. The most successful models reach to a very detailed level of analysis and provide information about who carries out each task, how much actual work time is required for the task, and how much total time or work-time is associated with the task. When one task cannot be completed until another task is started or completed, these dependencies are indicated and may also be mapped.

A good process map often highlights tasks with little "work" time that nevertheless have high total time or wait time. Once the process map is done, departments analyze the results to identify tasks that add little value and could be eliminated or built into other tasks. They also look for constraints on the process such as staff availability, the need to process or deposit fees, or required public notice and appeal periods. The analysis should include an assessment of what options exist for changing or removing constraints as well as eliminating, consolidating, or rearranging tasks in the process.

- Build detailed flowchart "process models" of your existing process.
- Include measurements of work time, wait time, and overall performance.
- Analyze the results, looking carefully at low value and/or high wait time tasks; also identifying constraints such as staff availability or required notice and appeal periods.

- Develop change recommendations that respond to opportunities identified in the process maps and account for local circumstances and priorities.
- Implement changes and measure results.

Process mapping should be done by a team with direct experience in all aspects of the review process. All participants in the review process should have an opportunity to contribute to development of the map. This investment in time improves the accuracy of the flowcharts, reveals variations in the ways particular reviewers approach the same review, and eases implementation and changes because the reasons for change become apparent to participants in the review process. Initially, it is important to map how the actual process flows, not how you want or think it ought to work.

When analyzing overall performance, revealing indicators may include:

- Total calendar days to reach a decision on a given type of application.
- Number or percent of days when the application is on hold awaiting new information from the applicant, and conversely, number of days of the total when the jurisdiction is on the "clock."
- The number of comment or correction cycles necessary to correct deficient applications.
- Response times or cycle times for first reviews, second reviews, and so-on.

Additional measurements to consider include:

- Backlog of pending applications and inspections by type of permit or decision.
- Current year permit volumes versus prior year volumes.
- Staffing levels to permit volume ratios.
- Team morale (tense workplace, normal operations, particularly harmonious).
- Customer satisfaction ratings.

In developing options or recommendations for change, the process maps and measurements link to a local jurisdiction's overall goals. These goals may be specifically focused on improving

permit turnaround time or may seek to improve customer experiences by clarifying application requirements or improving response times to telephone or email inquiries. Local circumstances will dictate the range of realistic improvement options and final recommendations must recognize appropriate budget and statutory limitations.

Many jurisdictions, however, have had success making noticeable yet fairly minor administrative changes to processes. They have then developed longer term or phased action plans to accomplish more significant changes. It starts with making the whole process visible.

5. Use Information Technology

The fifth permitting Best Practice theme is to make the most of computers and information technology (IT). These tools are helping many jurisdictions and applicants operate more efficiently and provide better customer service.

The uses of information technology range from in-house electronic permit tracking systems to online access for the general public to a range of permit records and reports, to social networking sites or blogs to keep stakeholders updated on project status. Many jurisdictions also provide online access to departmental forms, codes and standards, as well as online maps and aerial photos. An increasing number of jurisdictions use workflow or project management software, as well as wireless or remote access to department records and systems for field inspectors and other staff. A few jurisdictions accept and review certain types of applications on-line. These have largely been limited to electrical, mechanical, and plumbing permits, along with very simple or standard building permit plans. Interest is growing in online submittal and review based on applicant and agency time savings and other customer service benefits.

Many outreach participants spoke of the merits of electronic permit tracking systems. They provide a real-time tool for reviewers and inspectors to enter their findings, archive supporting documents, and indicate when they are waiting for additional information. This shared repository answers status questions and allows reviewers to see the findings or correction letters of other reviewers. The best systems also provide direct online access for the public to many of

these records. Applicants and the public can monitor the progress of applications without needing to connect directly with staff. This saves staff time, and preserves time for all parties to concentrate on issues of particular interest. At a general level, one industry participant at the outreach sessions commented: "It's very handy not to have to drive ten miles to see if something was accepted."

Current web design tools make it easy to put these references into an applicant's hands miles away from the permit counter. Some jurisdictions substitute on-demand printing for traditional inventories of lobby forms. Online files can allow applicants to complete forms with their computers, producing a cleaner result that is easier for everyone to understand. In some cases, they also have an electronic record of their completed application form.

Many departments also provide online access to their in-house geographic information system (GIS). GIS is a powerful tool that can graphically depict a parcel of land and its relevant critical areas, topography, zoning, roadways, aerial photos, and a host of other features. Some systems indicate when special analyses like wetland or geotechnical reports are available. GIS provides applicants a preliminary indication of the environmental, land use, and other considerations a development project needs to consider. This reduces surprise during permit review and increases efficiency when the project designs incorporate these considerations at the beginning.

Whether for a large or small jurisdiction, the use of information technology systems to support the permitting process requires strategic and on-going planning. Many jurisdictions are moving toward enterprise level governance plans for information technology. This approach can be particularly beneficial for jurisdictions with multiple departments involved in the permitting process. Managing and financing IT systems at an enterprise level does not happen overnight and requires a significant leadership commitment from all agencies. For jurisdictions considering IT improvements or changes related to permit processing ORA recommends at least the following practices:

- Visit other jurisdictions with IT systems of interest and understand what practices they use or need to use to be successful.
- Establish processes and workflows by work function (as opposed to by department).

- Establish and monitor data entry standards to help ensure consistency and currency of permitting and related data.

A partial listing of which jurisdictions use which types of electronic permit tracking systems is provided in the Appendices under examples for this fifth Best Practice.

6. Implement Systems for Staffing Flexibility

The sixth Best Practice ORA recommends is to equip the review and inspection functions with the ability to adjust capacity and staffing expertise to maintain timelines under changing circumstances. The well known boom and bust cycles within the development industry often mean layoffs when permit application numbers plummet and backlogs when the market recovers. To provide the best service, departments need to be able to quickly bring on extra staff or somehow expand capacity when application volumes grow. Conversely, when staffing needs fall, jurisdictions need to ensure they can maintain core staffing levels that cover all basic, minimum services. In addition, jurisdictions must be able to complete certain specialty reviews whether related to critical areas like wetlands and streams, specialty construction, stormwater management, or other engineering issues. Development industry participants at the outreach forums added a third purpose for jurisdictions to consider a variety of approaches to staffing: to provide an option for faster service.

The market cycle does shift quickly (Figure 1), often faster than traditional recruitment and hiring on the upside or attrition and layoffs on the downside can accommodate. On the downside, some jurisdictions have worked to establish formal and informal core staffing policies. Often the core staff is cross-trained to provide a wider range of service during slow times. These staff members provide training to new staff when the cycle turns around and hiring begins again.

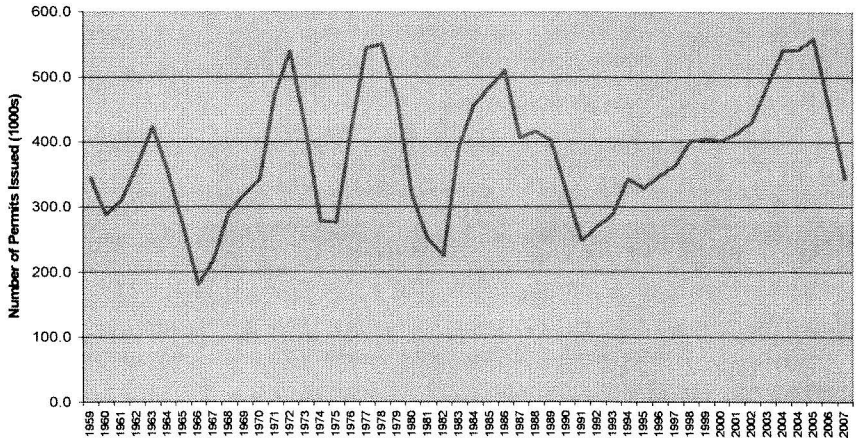

Figure 1 - Building Permit Applications 1959-2007 (Western US) - Census Bureau

On the up-side of the cycle, some jurisdictions use temporary staff who can be hired reasonably quickly or are able to arrange for outside "third party" review by consultants. Consultants or special inspectors can also be used for specialty reviews or inspections that occur infrequently, situations when it is impractical for a jurisdiction to hire the needed expertise.

Some participants in the outreach sessions, often smaller jurisdictions with limited in-house expertise, use peer review for engineering or stream and wetland habitat review and inspection. This involves hiring an outside expert, usually at the applicant's expense, who checks the report or plan and advises the department.

Applicants at the outreach sessions raised some concerns about the cost of peer review and the cost of paying for a jurisdiction to contact with outside parties to complete some or all of required review and inspections. Some favored the idea as long as it resulted in faster turnaround times. Others suggested that jurisdictions should just accept plans or reports completed by licensed professionals such as professional engineers as a way to cut back on review times. Local jurisdictions expressed strong opposition to this larger idea, but a few noted that they have had success in certifying some consultants or engineers whose work consistently meets local requirements. Use of these certified consultants can lead to faster application submittals and/or expedited review of plans.

The Appendices contain a list of jurisdictions that have adopted a range of approaches to providing for staffing flexibility.

Two issues to note are, first, that most local jurisdictions, as part of their budget process, adopt a limit on the number of full time equivalent (FTE) staff that each department can hire. Some jurisdictions adopt a staffing contingency number or percent, and a parallel budget appropriation that allows additional hiring as long as the department has sufficient resources. This requires a department to have some control over at least a portion of the permit fees and also requires the department to be able to predict within a range the expected permit volumes for the coming budget cycle.

The second potential issue relates to concerns from employees or unions that staffing flexibility may be another name for out-sourcing work. Outreach session participants from local government were uniform in their agreement that flexible staffing options should be developed through a collaborative process that accounts for all interests.

Conclusions and Recommendations

The overarching theme for any project to improve environmental or land use permitting practices should always be customer service. Under that broad umbrella and allowing for a widely encompassing definition of who is the customer, ORA synthesized the following six themes for best practices in local government permitting.

1. **Build Mutual Understanding.**
   Bring agencies, industry, elected officials, and the public together to build mutual understanding of the "how" and "why" of the permit process. Work together and educate all participants about how to be effective during permit review.
2. **Contact Stakeholders Early.**
   Connect with stakeholders early, before application submittal, so critical design requirements and constraints can be identified and resolved without surprise and rework late the process. Stakeholders may include local community groups as well as state and federal agencies.
3. **Ensure Complete Applications.**
   Define what constitutes a complete application, make this list clear to applicants, and require these items to be present at submittal. Educate applicants so they understand the requirements. Consider input from applicants about the requirements.
4. **Analyze Process, Performance, and Costs.**
   Analyze the process, its performance, and costs of service so applicants and reviewers know how to execute the steps. Mapping the full permit process can reveal opportunities for improvement and serve as a basis for determining permit fees.
5. **Use Information Technology.**
   Use technology such as electronic permit tracking systems, geographic information systems (GIS), and the interconnection of these systems online to improve communication, reduce paperwork and build easily accessible project record.
6. **Implement Systems for Staffing Flexibility.**
   Put provisions in place to maintain performance during high volume periods or quickly

add specialty skills when needed. These approaches include temporary hiring, on-call consultants, contracting out, and interlocal agreements.

Jurisdictions considering these Best Practices have resources to help. Examples of practices in place at a variety of local jurisdictions are in the Appendices, as well as contact information to connect you to peers who have benefited from these techniques. The ORA team can answer questions as well.

For more information, please contact ORA at (800) 917-0043 or visit our web site at www.ora.wa.gov. This complete report with Appendices is posted on the web site.

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