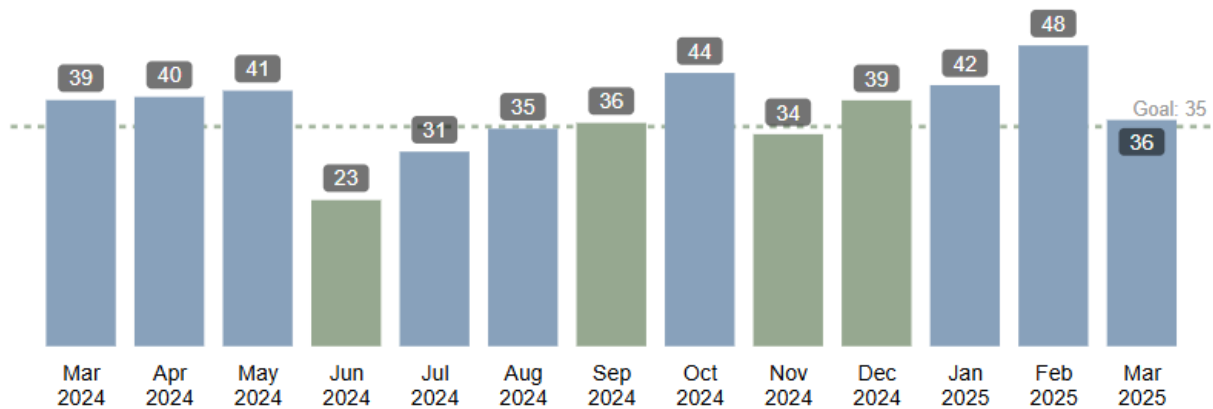


City of Bend Testimony for Senate Bills 6 and 974

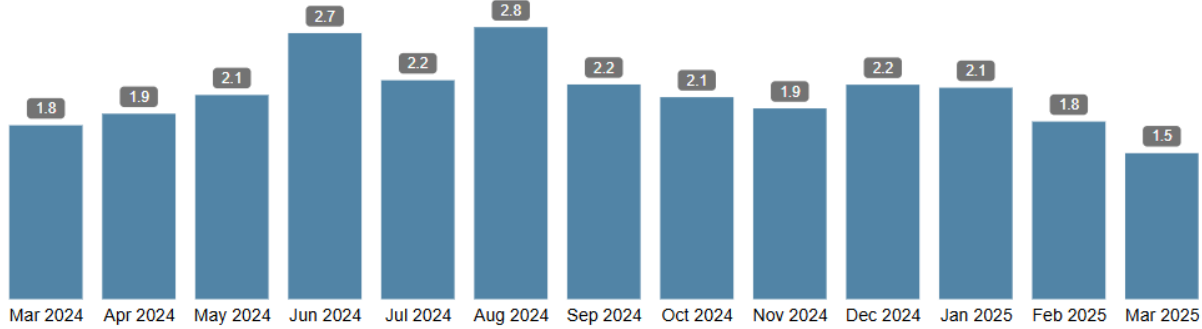
At the City of Bend, which is likely the case with most jurisdictions, the building permit review process is set up differently than land use planning/zoning application processes. Where land use decisions are issued with “conditions of approval” that need to be met prior to building permit issuance or final occupancy, building permit compliance cannot be deferred to a later point in the construction process. All elements of a building permit need to be correct on the day of permit issuance. To accommodate this, there is an iterative stage where a jurisdiction reviews the initial permit submittal and returns it to the applicant with a correction letter that details the areas that do not meet the Building Code with the expectation that the applicant will revise and resubmit the materials to correct the deficiencies. In some cases, there is more than one round of review where it takes an applicant several attempts to make the application compliant with the Building Code. The number of corrections and number of review cycles is dependent on the quality of the design of the original submittal and timeliness of the applicant; poorly designed applications take longer than well designed ones. In Bend, the time for each step is tracked on a dashboard, one of which is the number of review cycles. Below is the most recent data, separated between residential and commercial construction – please note that residential apartments are commercial construction under the Building Code.

Residential New Construction Average Days to Complete First Review



Bend’s goal for first round of review for residential permits is 35 days (the running yearly average is 37.4 days) which would meet the bill’s 45-day shot clock. However, as one can see below there is an average of 2.1 rounds of review, which means that almost all permits need some corrections.

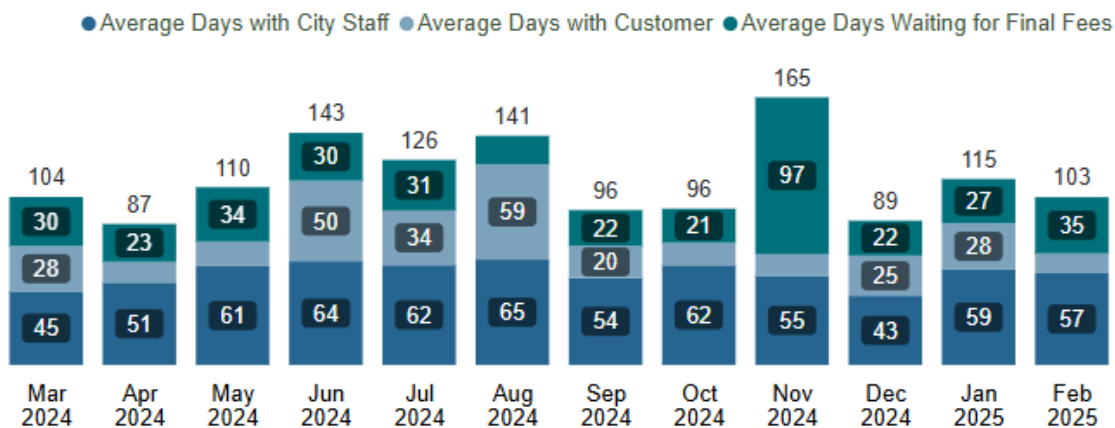
SFD New Construction Average Number of Reviews



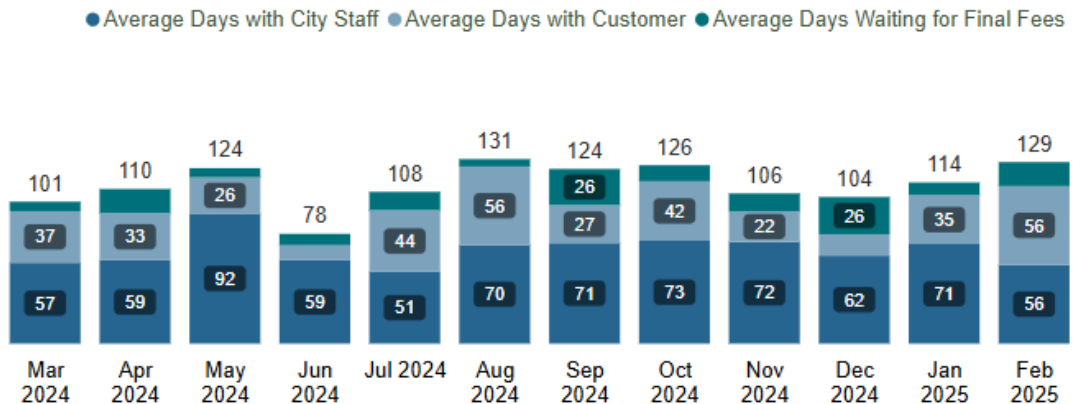
For commercial permits, which are significantly more complex than residential, Bend’s running average is 56.6 days for the first round of review. The complexity of commercial permits swings wildly. A mini-storage facility and a new hospital are both considered “commercial” but have a completely different levels of review commitment. The first could easily be completed within a short period of time; the second could take months.

Bend would be challenged if the timeline for all building permits were to be set at 45 days. This would require the hiring of more staff, which would result in commensurate fee increases. The second reaction would be more pronounced: the first round of review would become a “decision” rather than a correction letter. If the permit did not meet the Building Code on the first round, it would be denied and the existing, iterative resubmittal process would become a more contentious affair. As may be seen by the charts below, it is a back-and-forth process between city staff and the private sector partners.

Residential New Construction Average Days to Permit Issued



Commercial Building Applications Average Days to Permit Issued



Take the February, 2025 commercial permits as an example of the iterative process. The city’s average review time was 56 days; the applicant’s average time to make corrections was an equal 56 days; the application was ready to be issued and waited an average of 17 days for fees to be paid. While the total time was 129 days, the time period that the City of Bend had control over represented 43% of the overall timeline.

Conclusion: If cities are given a 45-day timeline to issue either a commercial or residential building permit, cities would first:

- 1) Hire more staff, which would increase permit fees
- 2) Change processes such that the first round of review would be the “decision.” Revisions would come in the form of a new application or a request by the applicant for a reconsideration of a denial with new information. Both would result in higher cost and longer overall timelines.

Note that SB 974 and SB 6 are inconsistent with each other; SB 974 would make a building permit into a limited land use decision, subject to the 120 day timelines of 227.178 vs this legislation making it subject to a different timeline.

Before considering these extreme changes to state law, it is respectfully recommended that the Legislature consider methods to standardize how jurisdictions measure review times. This memo provides accurate information for the City of Bend, but it is not clear how, or if, such measurement takes place in other jurisdictions. Once a commonly accepted measurement methodology is accepted, a more focused effort on regulating timelines should be considered.

While not perfect, the existing iterative process is collaborative. Each side, public and private, does their respective part to make an application approvable. Adding an arbitrary

timeline will make this collaborative effort adversarial, which does neither participant good.