

OREGON

E-PERMITTING

Obtaining a building permit is a complex and slow process that can discourage development of any kind, but particularly affordable housing development. The State of Oregon is working to ease the approval process and encourage development by establishing a statewide e-permitting program that provides access to a full range of electronic building permit services through a one-stop website.

✓ Expedited permitting processes

The e-permitting system, called eBuildingPermits, coordinates information and data with other jurisdictions. It also allows permit applicants to submit applications, buy permits from multiple building departments in one transaction, make payments, and schedule inspections through the e-permitting website. Once fully implemented, the e-permitting program will also allow applicants to track the progress of the project through the entire development process from initial plan intake and review to the final sign off.

Implementation of the system started with a pilot program, Quick Permits. Quick Permits allows developers to obtain a permit on-line for projects that do not require plan review. About 20 jurisdictions in the state have adopted Quick Permits to date, including Portland and some of the state's most populous counties including Washington and Clackamas. These jurisdictions cover more than half of the addresses in the state.

Based on the success of Quick Permits, the Oregon state legislature passed House Bill 2405, the e-building permit bill, in 2007. Passage of this bill started Oregon on the path to becoming the first state in the nation to offer contractors statewide electronic one-stop services. The law is part of Governor Kulongoski's regulatory streamlining initiative.

When the e-permitting system is fully implemented, the system will allow complete on-line processing for all projects including those that require plan review. It will be rolled out by the first half of 2009.

Patrick Allen, the deputy administrator of Building Codes Administration, says this system simplifies the permitting process in several important ways. First, it includes a portal that assembles a universal address database and determines what jurisdictions are involved in an application, and what fees are charged in each jurisdiction. “Figuring this out is one of the hardest parts,” said Allen. It also eliminates excessive paperwork and travel to and from permitting offices, which is especially onerous in rural areas.

The state estimates the cost of successfully implementing a statewide e-permitting program is approximately \$46 million over a 10-year period. The system is an off-the-shelf product, rather than one developed from scratch for the state, which allows the state to use the system on a trial basis. According to Allen, the state limits the risk of its investment by purchasing the program in two-year intervals. If the state finds that jurisdictions aren’t adopting the system, or this system is not improving the permitting process for developers, the state can discontinue use of the system at a cost well below the \$46 million.

Since the e-permitting program depends on the buy-in of state jurisdictions, the state has taken pains to ensure that the system is configurable for each jurisdiction. In planning for the implementation of the Oregon E-Permitting System, the Department of Consumer and Business Services (DCBS) distributed two surveys to jurisdictions throughout the state and conducted four town hall style meetings, a vendor market scan, and an interview with DCBS IT staff. The DCBS used information taken from these activities to address the needs and concerns of jurisdiction representatives in implementing the statewide e-permitting program.



One of the state's goals is for all jurisdictions to adopt Quick Permits by June 30, 2009. In addition, the state has been working to standardize business practices across all jurisdictions, a step that both makes implementation of e-permitting easier and simplifies the permitting process for contractors working in multiple jurisdictions.

Oregon expects that the e-permitting program will have a positive impact on the construction of affordable housing. "The time value of the permitting delay can be huge," said Allen. "This will take a lot of the delay and cost out of the picture. This will make a meaningful contribution to reducing construction costs."

The e-permitting program is funded by a 4 percent surcharge on building permit fees. Allen advises state and local governments planning to implement similar e-permitting programs to emphasize communication with local developers and contractors. Allen points out that articulating e-permitting benefits is critical since builders not only help move the program through legislature, but they also fund the program.

Oregon seems to have had success on this point. "Developers are very pleased with it," said Allen.

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