



Permitting and Cost of Delay

Dylan Sluder, MBAKS

Mark Villwock, D.R. Horton



What Builders Face Today

- **Homebuilding carries major financial risk** — long timelines, financing costs, and regulatory uncertainty can make projects unviable.
- **Permit delays and subjective standards increase risk**, making otherwise buildable parcels too costly or too uncertain to pursue.
- **Time and predictability are essential** — every month of delay raises carrying costs and directly reduces housing production.
- **Efficient, on-time permitting is one of the most effective tools** the state has to reduce costs and increase supply.



Building Permitting Experience

- What is a Basic Plan Approval?
 - Preapproves structure and ensures compliance with building code
 - Review is only on placement of structure
 - Must get basic approved in each jurisdiction we work in
- Results for Permit Approvals
 - First submittal **67%**
 - Two or more submittals **33%**
 - Three or more **10%**
 - Four or more **2%**
 - Five or more **1%**



Building Permitting Submittals

- What is required to submit varies drastically depending on the jurisdiction with Basic Approval
 - Turnaround: **3 Weeks**
 - › Building Application
 - › Site Plan
 - Turnaround **8-12 Months**
 - › Building Permit Application
 - › Authorization For Special Inspections
 - › Subcontractor Info
 - › Structural Calculations
 - › Truss Calculations
 - › Plat Landscape Plan
 - › Plan
 - › Covenant
 - › Color Palette
 - › Certificate Of Water Availability
 - › Roadway Drainage Det Results
 - › Drainage Checklist Application
 - › Drainage Plan
 - › Energy Code Checklist
 - › Lot Landscape Plan
 - › Plans
 - › Site Plan
 - › Written Drainage Assessment
 - › Geotech Report
 - › Geotech Plan Review Letter
 - › TIR
 - › Arborist Report
 - › And.....

Building Permitting Submittals (cont.)

- Turnaround 8-12 Months (cont.)
 - › Lot Corner Elevs
 - › Dw Corner Elevs
 - › TOW, FF, Slab Elevs
 - › Porch And Patio Elevs
 - › Driveway Slope Percentage
 - › Existing And Design Contours (And Proposed As Needed)
 - › Building Height Calcs With Finished Grade Numbers Calc'd
 - › FAR Calcs
 - › Impervious Calcs
 - › Building/Lot Coverage Calcs
 - › No Water Meters In Walkways
 - › Driveways 5ft From Side Property Lines



What is the Answer

- Accountability
 - Culture Change
 - Reference code with comments
- Collaboration
 - Basics good anywhere in county
 - Sharing processes
- Subdivision process
 - Need to drastically reduce timelines
- Time costs money!



Cost of delay

- According to research from BIAW in 2022, the average permit delay in Washington is **6.5 months**, which adds **\$31,375** to the cost of building.
- For Snohomish County, the average permit delay is **7.68 months**, which adds more than **\$46,202** to the cost of building.
- The average time in King County is even higher, **8.62 months**, which adds more than **\$51,857** to the cost of building.

Every month a permit is delayed costs builders roughly \$4,800–\$5,000 in real carrying costs — interest, taxes, insurance, utilities, administrative overhead, site maintenance, loan extensions, inflation risk, and opportunity cost/capital lockup.



Cost of delay

2024 Permit Performance (Commerce) – Delay Beyond Statutory Timelines

SB 5290 Baseline Report – 2,723 permits analyzed

- **Preliminary Subdivisions:** 199% longer than statute
→ **+179 days** → **≈ \$28,400 added cost**
- **Final Subdivisions:** 184% longer
→ **+55 days** → **≈ \$8,700 added cost**
- **Construction Permits:** 81% longer
→ **+53 days** → **≈ \$8,400 added cost**

Total Added Cost from Over-Statute Delay

≈ 287 days (≈ 9.5 months) → **≈ \$46,000 per home**



Why does this matter?



For every \$1,000 increase in the median price of a home in Washington, **1,959** households are priced out.

\$46,000 in Added Delay Cost

≈ 90,000 Washington households priced out of homeownership.

NAHB mortgage cost estimates:

+\$6.65/month for every \$1,000 in price increase (7% interest)

\$46,000 delay-driven cost → +\$305/month in mortgage payment

- Higher monthly payments reduce buyer eligibility
- Makes down payments + financing harder for first-time buyers
- Particularly damaging in high-interest-rate and supply constrained environments

Permit delays alone remove the equivalent population of a mid-sized city from the buyer pool.

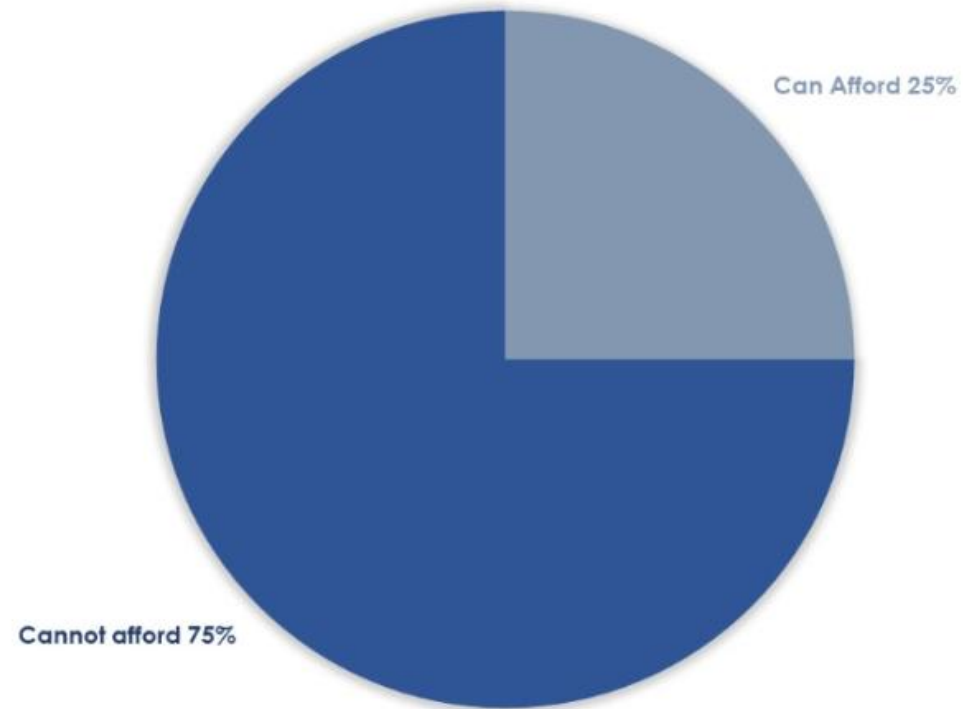
Source: NAHB

Why does this matter?

BIAW's Housing Attainability Index shows just how challenging it is to become a homeowner in Washington state.

Washington's permitting pipeline has slipped back to early-2010s levels. When just one in four families can afford a home, permitting delays and underproduction are pushing costs higher and widening the state's housing gap.

HOW MANY FAMILIES IN WASHINGTON STATE CAN AFFORD A MEDIAN PRICED HOME?



Legislative Priorities

- **Subdivision Reform & Streamlining**
Modernize subdivision laws, require administrative plat approval in UGAs, and allow concurrent review to cut timelines and reduce project risk.
- **Clear & Objective Development Standards**
Ensure local regulations use measurable, objective standards to deliver faster and more predictable permit approvals.
- **Self-Certification & Review Cycles**
Allow licensed professionals to self-certify compliance and cap review cycles at three to prevent unnecessary delays.
- **Rural Accessory Dwelling Units (ADUs)**
Streamline rural ADU permitting to expand housing options and support multigenerational living.
- **Building Code Pause**
Pause frequent code updates to stabilize costs and reduce regulatory churn.
- **Oppose New Fees, Taxes & Cost Increases**
Reject policies that raise housing costs and make homeownership further out of reach.



Differing Requirements for Housing

SINGLE FAMILY HOMES: LONG PLAT

A 10-lot long plat for single-family or attached homes *requires a public hearing*



SINGLE FAMILY HOMES: SHORT PLAT

A 9-lot short plat for single-family or attached homes is *approved administratively*



CONDOMINIUM

A 10-unit project for either single-family or attached homes is *approved administratively*



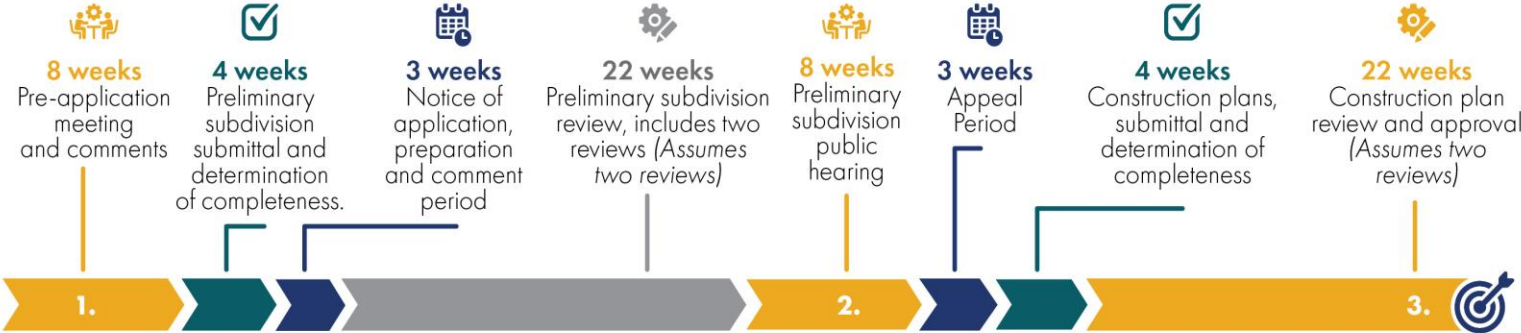
APARTMENT

A multi-unit apartment complex is *approved administratively*

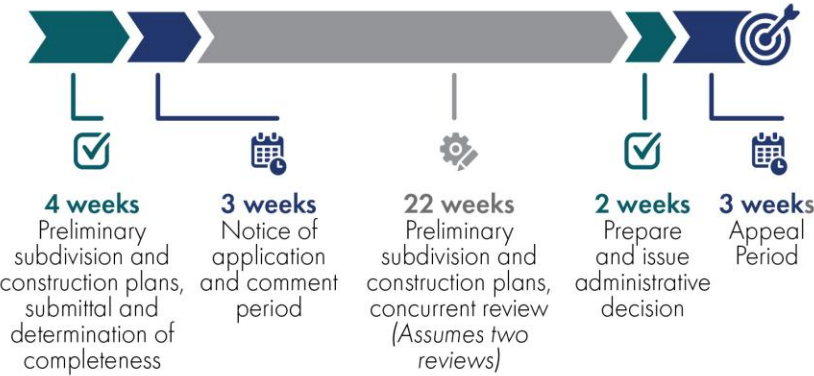


THE BENEFITS OF REFORMING AND STREAMLINING THE SUBDIVISION PROCESS

Current Process Timeline 🕒 71 total weeks*



Reformed Process Timeline 🕒 34 total weeks*



Under this scenario 37 weeks of process time may be saved by:

1. Making pre-application meetings optional
2. Utilization of administrative approval
3. Allowing concurrent submittal and review of a preliminary subdivision and construction plans

Jurisdiction Review Time

*Only accounts for jurisdictional steps and timeframes. Timeframes to review permit applications vary between jurisdictions and at the same jurisdiction depending on several factors. **Some jurisdictions take longer than timeframes shown and some may take less time to process a preliminary subdivision.**





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