

FEDERAL WAY PERMITTING SURVEY







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When Passion Meets Process

As the voice of business, promoting economic opportunity and supporting business connection is the mission of the Chamber. We know there's a lot of passion that goes into opening a business. It starts with the dream of the business itself and then looks for public services that support our shared goal for long-term community growth.

Our business community identified Permitting/Zoning/Land Use as the #2 challenge in their efforts to grow business. The Chamber heard from a wide variety of businesses sharing this concern and it is a strategic focus for the Board of Directors.

The permitting issue, however, has been challenging to get our arms around. Not the least of which reason is because we knew the results were likely to be negative. And some of them are. But that's OK because we do not fear seeing other perspectives or acknowledging the validity of those views.

Whether it is one voice at a public hearing or one respondent of a survey, that voice matters. True, there are those who will quibble with numbers from a survey; it goes with the territory when you aggregate data. However, from the Chamber perspective, they are numbers enough for us to move the permitting conversation away from anecdotes laden with blame and toward some preliminary, statistical patterns with recurring themes in the comments.

The following is not a comprehensive review of the process; it is a customer service survey to measure satisfaction levels with the process. The model was based on samples from permitting surveys in other jurisdictions and reviewed by third party economic development contacts within the Chamber's network. In the end, our survey is much the same as it is across multiple industries where business looks to meet the needs of consumers in an efficient, cost effective, and timely manner.

We all have a part to play in the process and our economic development efforts are not harmed when we acknowledge we face challenges but are working to be better. This is the kind of healthy conversation around growth that businesses like to see.

And we can do more than just talk about it. From the business perspective, these survey results also prompt policy questions for our elected officials.

• Do you have any ideas to help streamline the permitting process so that new businesses can open faster? This could



Rebecca Martin, CCE, IOM
President & CEO

Asako Fujikura ApodacaOffice Manager

LaRaye RushingMarketing Director

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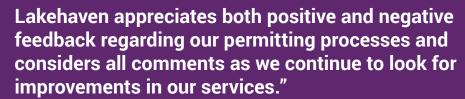
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include things like conducting land use review as a part of the building permit process for outright permitted uses or revamping the land use process entirely to make it more efficient.

- Would you be willing to conduct a thorough review of the current municipal code to look for ways to streamline the permitting process?
- Are you willing to allocate funding to fully staff Community Development and Public Works?

Progress can be hard. It's not always easy working together for a greater good. But if we are strong enough to listen to each other and adjust our course to meet the needs of business, then economic prosperity is more easily within reach of us all. This is the path to success. And that is what it means to Take the Federal Way.



- John Bowman, General Manager, Lakehaven Water & Sewer District

Any kind of feedback that helps us evaluate the performance of our permitting process is welcome. We work for you, the taxpayer and business owner, and any process or processes we can improve to heighten our level of customer service without sacrificing the safety or structural integrity of projects, we are interested in exploring."

- Mayor Jim Ferrell

The Fire Marshal's Office of South King Fire & Rescue strives to provide quality customer service and always welcomes feedback from our customer's experience, assisting us in our continuing effort to offer quality and value-added service."

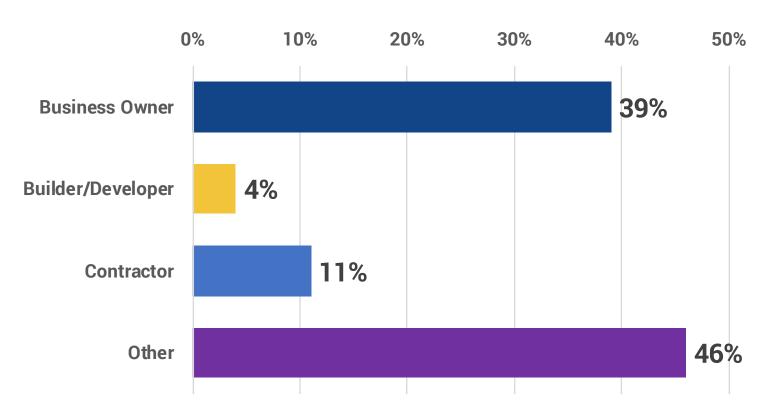
- Assistant Chief Gordon Goodsell, Fire Marshal, South King Fire & Rescue

I believe that when our heart is open to change and our character is inclusive and honest, we can learn from each other. Our community has a lot to gain when processes work for business."

- Rebecca Martin, Chamber CEO



Which of these options best describes you?



Other: Church, Public Official, Board, Commercial RE Broker, Sales, Non-Profit Affordable Housing Developer, Project Manager, Architect, Development, Commercial Broker

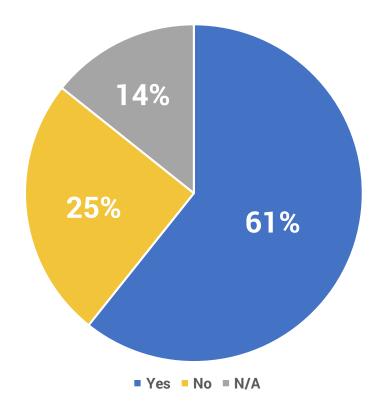
Respondents Type of Business/Industry:

- Development (land use permitting & civil eng.)
- Home Inspection
- Accounting
- Tires & automotive service
- Community outreach service
- Construction Management
- Nonprofit
- Commercial Real Estate Brokerage
- Multi-family apartments
- Security

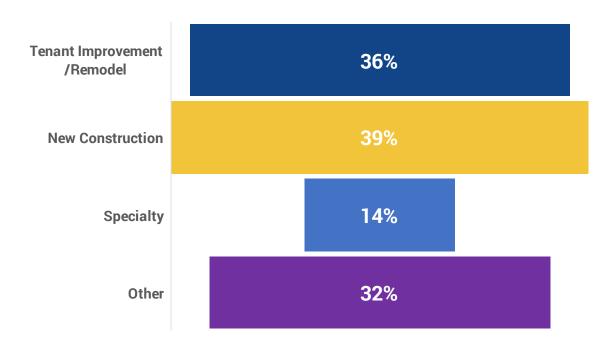
- Social Services
- Manufacturing
- Property management
- Architecture
- Media and advertising, video production
- Civil Engineering and Development
- · Commercial Real Estate
- Fitness
- Real estate



Have you opened, renovated, expanded or relocated to Federal Way in the last three years?

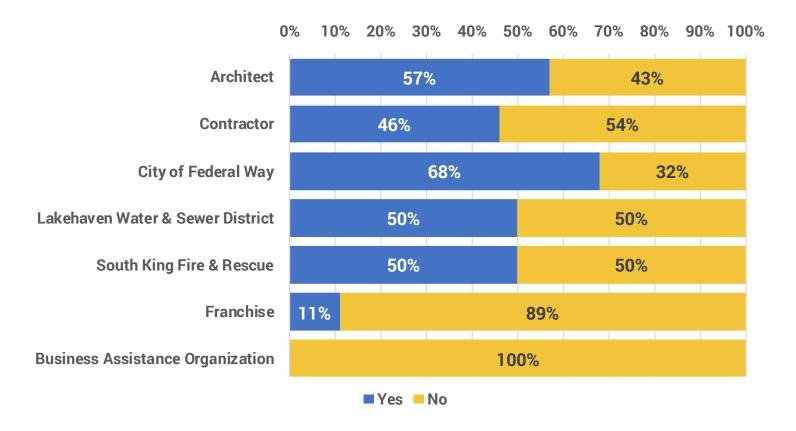


Is your Federal Way development one of the following?





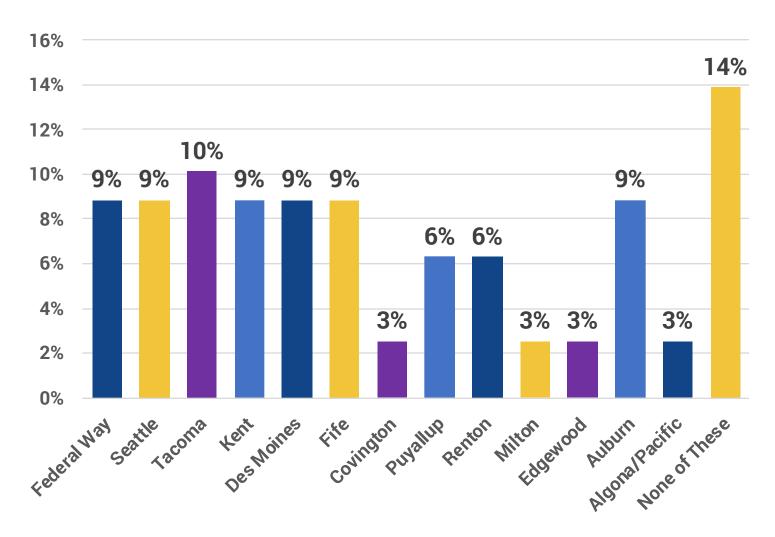
Before your Federal Way development began, did you meet with any of the following?



- For our TI, we met with an architect. For our daily work, we often meet with all agencies above.
- After several year at location, I was required to spend over \$75,000 in ground drainage.
- The district spent a year prior to the bond meeting with stakeholders in the community. Prior to projects we meet with all governing agencies to ensure the success of our projects.
- Mainly meet with Business Owners and apply for permits online.
- We have pro-actively reached out to all agencies at the very start of our projects to inform them about our project and hopefully be advised what would be issues that we should be prepared to address to facilitate the process.



Have you developed other business properties in these locations?





While all of the cities we work with have challenges in the permitting process,

Federal Way has, in my experience, been the most challenging.



If you have developed in other areas, how does Federal Way service compare?

32%

COMMENTS:

• Overall, the City is not "development friendly." Staff in general (particularly traffic) are slow to respond, and the zoning code is difficult to understand and lacks the ability to streamline permitting.

Poor

Adequate

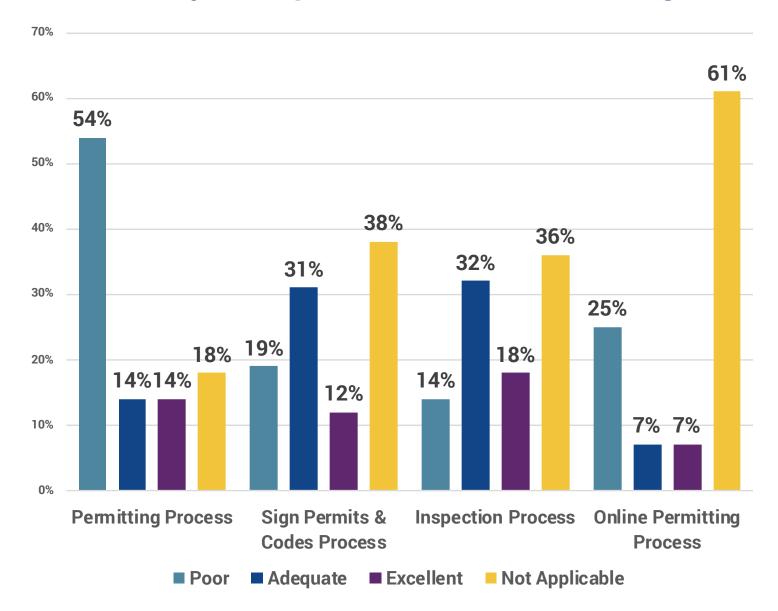
Excellent

- I have worked with over 30 cities on the West Coast, and with other regulatory agencies that oversee regional construction projects. The City of Federal Way does not provide an atmosphere of welcoming customer service or solution-based collaboration. This is the most difficult city I have every worked with.
- In trying to encourage businesses to come to Federal Way, the number one complaint besides "hell no" is the city permit department works against the business, not with the business.
- While all of the cities we work with have challenges in the permitting process, Federal Way has, in my experience, been the most challenging.
- Federal Way's permitting process is difficult at best.
- Comparatively, the code is very difficult, and staff are less than helpful.
- Improving

Not Applicable



Please rate your experience with the following:



COMMENTS (PERMITTING PROCESS):

- Very slow, especially if the project has any constraints or issues to overcome at all. There is very little flexibility.
- As far as the staff at the counter, they are helpful, but very limited. I feel they are not at liberty to help
 customers to the fullest extent. Many other jurisdictions allow onsite work to happen prior to the
 approved off-site improvements. This creates a bottle neck approach and holds up the permit process.
- My contractors had little problem with the city until dates of inspection were missed or rescheduled caused major issue with the State that I was trying to coordinate inspection efforts with.



- Between adequate and excellent. The staff that we have worked with are SUPER helpful. However, the intern assigned to our project was not.
- No direct contact person for permit questions. Permit cost very high. Permit Cost formula should not include equipment cost. Sq Ft of electrical work and labor should be the only factor in the cost!!
- We had several early meetings with the CoFW during design prior to submitting for permits. Several
 items that would need modifications to code requirements were reviewed and identified as more
 than probable as being accepted were then denied when we formally submitted. This forced redesign
 during the permitting process.
- There is a clear attitude that the department exists for their benefit, and valiantly defends the ideals they have created for themselves. There is clearly no perception that they are there to provide service to their customers (the public.)
- They treat probably the other largest public agency as an adversary rather than partnering to find ways to serve a common client. There is clearly a lack of understanding or even concern for the process by how public agency projects are developed.

COMMENTS (SIGN PERMITS & CODES PROCESS):

- I am very unclear as to what codes the city used and has adopted. In speaking with the staff, you can get a variety of answers. Especially as it pertains to water treatment, storm water and off-site improvements.
- Codes seem ridiculous on the business owner to have specific things in the business when they were already approved, like someone overriding someone else. i.e. I have a lobby for large amounts of seasonal traffic, so they wanted me to have a male and female public bathroom, which completely destroyed my lobby, so then I have to move the doors to the center of the room, which completely destroyed my flow of traffic. A big pain.
- have not completed yet.
- The permitting for signage is simple in almost all locations. The communication and timing of the process in Federal Way is way too low and way too long compared to other municipalities. We do a lot of work in Federal Way and basically have to "price" ourselves out of the permitting work to avoid the known delays and unmet customer expectations. It is unfortunate, but true.

COMMENTS (INSPECTION PROCESS):

- Framing inspector showed up over an hour before scheduled. My contractor was not at the site yet and we failed inspection for 1 screw that was later removed by hand. This caused a 1-week delay in the project.
- I have only had one experience and the inspector repeatedly told me. He was told to do the inspection a specific way and was sorry he could not help in the process. He said he was directed to perform the inspection a specific way and was not happy about it.
- I had the best contractors and project manager, because of HEM the process went smoothly.
- Inspectors have been fast and helpful.
- Just started construction, don't have good feedback yet.



- The field inspectors use their inspections as opportunities to reinterpret the documents and revise requirements.
- A new inspector failed us for a framing inspection for one screw that was removed by hand in less than 5 seconds. Unnecessarily caused 3 days of delay.
- Quick and thorough, they came out the same day with a competent inspector that wasn't look for "job security" issues.
- All about staffing
- The inspection process was very frustrating. It took weeks to months to complete requirements in between inspections and the inspector would come and say things like "You called for the wrong inspection, you have to have HVAC inspected before electrical or drywall etc." And we were never told this before scheduling the inspection. The inspector was very difficult to work with and not very helpful.

COMMENTS (ONLINE PERMITTING PROCESS):

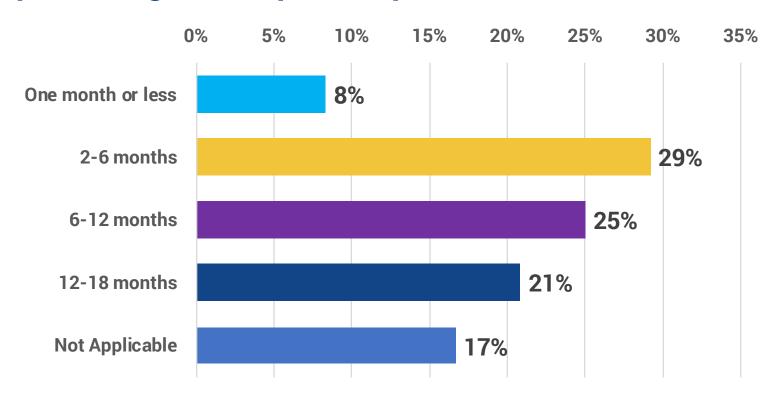
- It's not developed yet
- Online application vague.
- Should have the opportunity to call and email questions!
- City Response time for Online email guestions takes way to long!!!
- The CoFW requires several sets of hard copies for all permit items. In the digital age, this seems
 wasteful and was very time consuming. Hopefully CoFW will be able to accept digital copies of
 drawings and permit items in the future.
- There is none. We have had to submit enormous quantities of paper documents at significant expense to create and modify if need.
- Not well maintained with very low communication on the status for signage.
- Improving



The field inspectors use their inspections as opportunities to reinterpret the documents and revise requirements."



Please share the length of time you have spent in the permitting and inspection process.

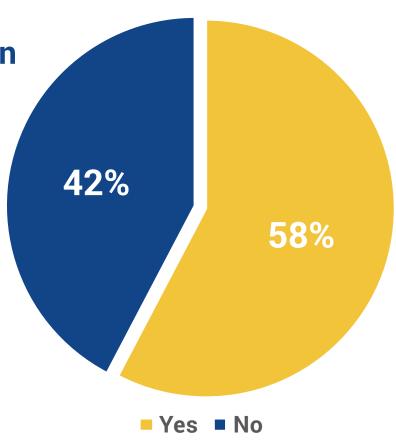




If the land use process were streamlined, the added revenue from construction alone could have added millions to the City budget.



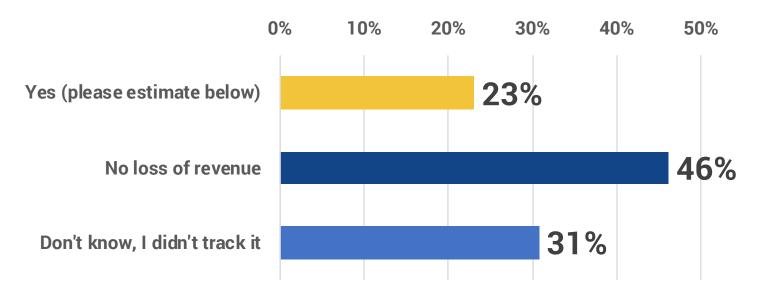
Did the development process create a delay in your business timeline?



- The inspections caused a two-day delay in my business timeline and a reschedule from the STATE for the installation of their equipment into my facility. Causing a delay in my opening
- · We have run into delays in each project
- We are in the beginning phases and have only had conversations with the building department at the city of Federal Way
- No for our TI; however, Yes for my clients. If the land use process were streamlined, the added revenue from construction alone could have added millions to the City budget.
- Ended it!
- The intern delayed our permit, but most of the delays were on our side. The staff were great.
- request for pre-dev meeting was 7/14/17, land use approval issued 11/2/18, bld permits issued 4/17/19. Almost 2 years for something that should take 10 to 14 months.
- Online permit applying and questions delayed scheduling and start date of project.
- We met over a year ago in advance of starting design on our projects to understand the permitting
 process, share the project timelines, and discuss how we could collaborate to achieve the schedules.
 Although we have generally met the schedule we identified, particularly the Land Use review process
 has been extremely difficult, inconsistent and adversarial, to the point the start of our projects are
 being delayed at significant cost.
- I've seen businesses locate in other jurisdictions because of permitting timelines.
- Not applicable
- Our project was given to the intern who didn't take care of it in a timely fashion.



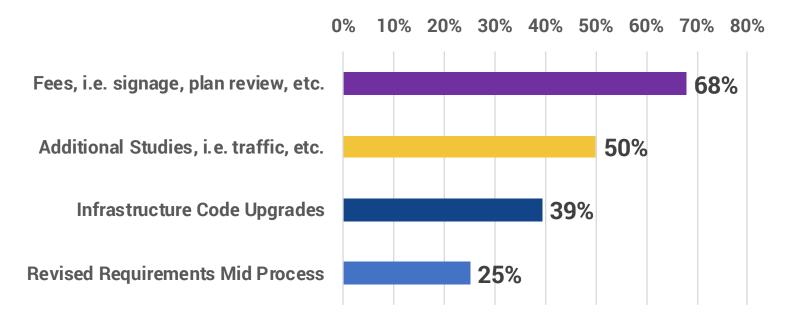
If you experienced a delay in the process, did that translate into a loss of revenue for your business?



- No for our TI; however, Yes for my clients.
- It is often met with, "You can submit a letter in writing for review," which will only delay more and most likely the idea for consideration will not be approved.
- Certainly, construction cost rise every month although I don't have a figure other than this market sees 3 to 5% year over year recently. Mostly opportunity, where we could have been focusing our efforts in other areas.
- Created an upset client and delayed other vendors schedules on their project.
- No loss of revenue, but it did create an additional building cost and came dangerously close to
 jeopardizing the entire development given that we had to meet a timeline or would have to pay money
 back to investors and funders.
- Our budgets and schedules are relatively fixed, so we need to accomplish projects within them.
 Currently delays are causing direct delays in completing the projects on time and costing a significant amount of money to try to get them back on schedule.
- \$80,000 in rent and additional unnecessary costs, i.e. SE drawings cost \$17,000.



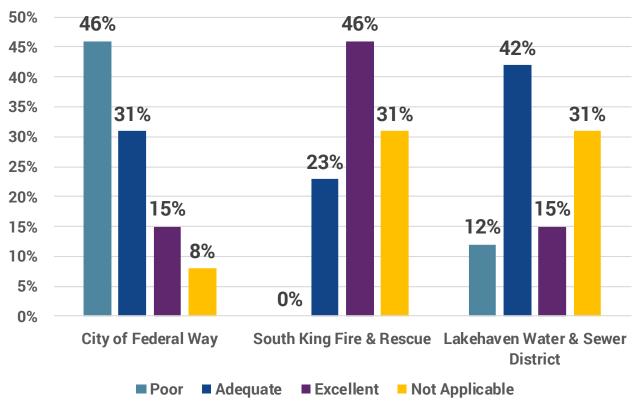
Has your development been subject to any of the following?



- Development projects are all subject to Fees and Additional Studies. Since very little infrastructure in the City is up to current road and storm water standards, almost all development triggers upgrades.
- We expect to have requirements. Understanding the scope and cost of offsite improvements has proven to be exceptionally difficult and unending.
- Service really depends on timing and staffing levels
- The original inspector signed off on our development and we were almost completely finished with construction when Scott was appointed inspector. He came out and stated that despite our receiving approval from the city earlier, he was requiring that we make major changes to construction to meet his interpretation of the code. There was no apology or acknowledgement of the hardship this would cause.
- The reviewers have consistently taken liberal interpretations of stipulated code requirements to favor an extreme interpretation inconstant with other agencies.
- Lakehaven has been equally inconsistent, and non-customer oriented.
- A Road modification was approved with a condition that was impossible to meet.
- It really depends on the size and complexity of the project.
- I am not for sure if it qualifies but the plans/drawings being required that were already supplied and being forced to do a change of use when it would not have been necessary.



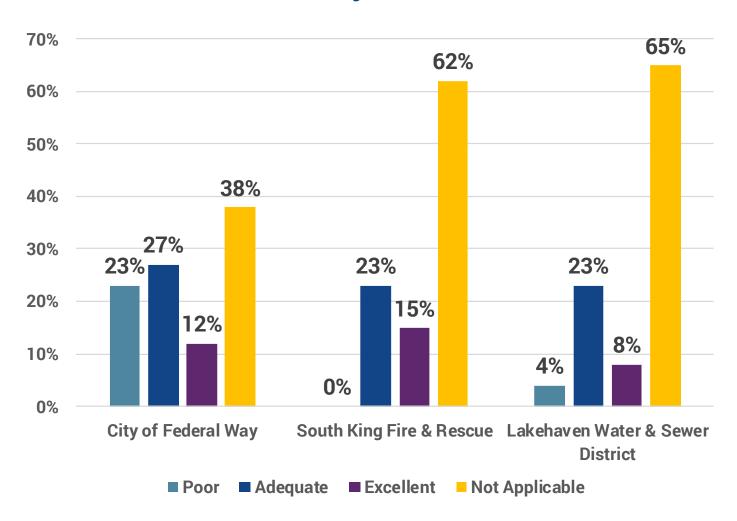
Please rate your overall service experience in the permitting process to expand or locate your business in Federal Way.



- Both Lakehaven and SKF&R respond quickly and offer options when there are issues to overcome.
 There does not appear to be any sense of urgency or desire from staff to help foster development of new businesses.
- Extremely difficult, Our contractors and Sub contractors pad their bids because they are expecting a higher level of difficulty.
- The ladies at the counter at the City of Federal Way are awesome and courteous. The dudes with the titles, quite the opposite. Made you feel small and stupid. Problem with the utilities was that they had had the meters marked wrong... apparently for some time. It took a few trips out to get it right.
- Initial requirements identified by Lakehaven and City of Federal Way were unrealistic and took additional time and effort to work through for reasonable solutions. The process felt very stand-offish rather than collaborative.
- Excellent on the electrical, poor on the signage.
- FW in my opinion continues to improve



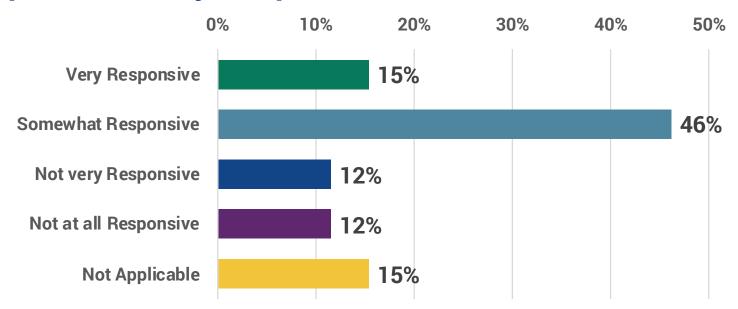
Please rate your overall service experience in the inspection process to expand or locate your business in Federal Way.



- Soon to validate the process
- Once on the same page, inspections went without a hitch, just delayed.
- Not everyone has the nerve to call and rattle gages, I was on a time line and had to get things done, so I rattled cages.
- Just started construction, not enough experience yet.
- Inspectors take their inspections as opportunities to re-interpret project requirements.
- Excellent on the electrical, but non-existent on the signage.



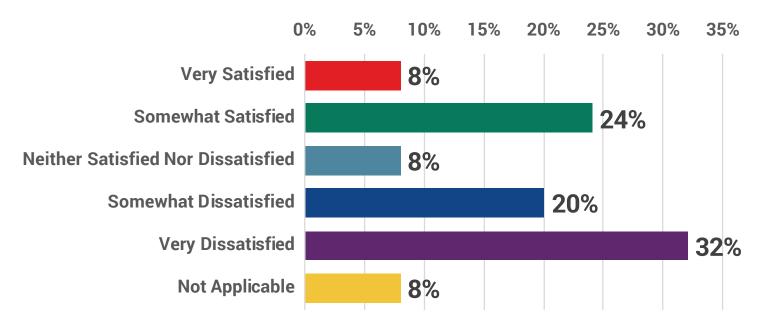
How responsive were permitting and inspection personnel to your questions or concerns?



- Depends on who you contact. Some staff are much better than others.
- Had a meeting, ended process.
- Most of the responses caused a wider scope of work needed and additional expenses to projects.
- The ladies that ran the counter MOST helpful, the others with the titles and authority far less helpful, almost like we were bothering them with questions.
- Not very responsive in regards to permitting and development.
- There did not seem to be any spirit of collaboration from permitting staff nor any accountability for
 the fact that their department had previously given us approval to move forward. In addition, despite
 our providing evidence that other cities were not interpreting the codes the way they were and were
 not requiring what the city was requiring, the permitting staff did not appear to be open to hearing
 anything that diverted from their opinion.
- Although we would receive response, the interpretations we understood from our meetings, were not supported consistently subsequently when documents were formally submitted. Land use permit staff in particular continually refer to interpretations of permit requirements in first person rather than as an agency, and as though it was their personal decision, not as representatives of the City.
- The GC handling out TI was responsible for all contact with inspectors.
- Super responsive on the electrical, no response at all on the Signage.
- Every time I spoke with an inspector or the City plans examiner at the time, it felt they were frustrated that I had questions like I was wasting their time. I also feel that information or advice of the process was withheld and made known after the fact instead of supporting throughout the process.
- Staff were all very helpful



How satisfied or dissatisfied are you with the overall experience of process of developing your business in Federal Way?



Please share what went well in the permitting and inspection process.

- The over-the-counter permit to add 600 sf to our 10,000 sf office was easy, simple and quick.
- Very helpful in navigating processes
- We have been able to work out some of the permitting issues but not able to meet the deadlines due to the submission process and items in detail.
- The best that I can recommend is to hire someone who understands the language and the process, my project manager and contractor knew the language and understood the red tape.
- The staff were super helpful.
- In my experience with other municipalities, I can't say anything went well.
- · Scheduling electrical inspections.
- Our initial meetings with permitting staff were pleasant and they seemed willing to help. I did feel like SKC Fire and Rescue and Lakehaven truly made an effort to help resolve the situation and were responsive when concerns arose.
- Weekly touch base meetings during the permitting process.
- Nothing



- Timely
- The Fire department inspectors were very friendly and supportive. The people working in the building were at times friendly and supportive.
- Staff were helpful

Please share any challenges your business faced in the permitting and inspection process.

- During out TI, the framing inspector failed us for a single screw, which could have been rectified on the spot had he shown up on time. Too many to list with respect to land use permitting on a daily basis.
- ADA compliance was a challenge
- Why is the community of Federal Way paying higher costs and having more challenges than other communities? This creates and inequitable environment for a community that already faces financial hardships. This is like a tax that others do not have to pay, or are subjected to.
- The biggest challenge was the missed inspection appointments
- Staff left in the middle of the process between pre-application and building permit, so there was some confusion on small elements that may have delayed the process.
- Extremely slow review turnarounds, indecisive review comments, very little opportunity to meet with staff outside of the process in order to ensure expectations are being met.
- Electrical permit cost very expensive.
- SK Fire and Rescue was involved in the issue that occurred and had concerns about our initially approved fire safety plans, but they shared that no one from the city had communicated with them prior to initially approving our plans. It sounded like the issue may have been avoided with better communication
- Items agreed to at touch base meetings prior to officially submitting for permits were then denied or not acknowledged in official review comments.
- Too many to list completely. In general, permitting requirements are overly burdensome, the code is very outdated, and staff are not able to be helpful. It should not take more than 18 months to approve a land use permit for an office building in an existing office park.
- I'm a little different in that we aren't developing here, but in part the decision not to develop here is because of the way the city is structured and run.
- Staffing changed between pre-application and building permitting, and new staff interpreted things slightly differently.



This annual signature event of the Greater Federal Way Chamber celebrates our network of business leadership with an elegant evening featuring fun, fellowship and the Impact Awards. The 2019 Chamber Gala is set for November 9, from 6 - 9 p.m., at the Woodbridge Corporate Park Headquarters Building. The Gala is open to the community. Register online at **fedwaychamber.com/gala**. Cost is \$100 per person. Reserved seating available with table sponsorship.

2019 IMPACT AWARD RECIPIENTS

BUSINESS Impact Award Fastsigns of Federal Way



The Business Impact Award recognizes leadership in providing unique opportunities for business growth through economic initiatives, participation in community and business projects, and a commitment to enhancing economic growth in the region.

COMMUNITY **Impact Award Federal Way Public Schools**



The Community Impact Award recognizes leadership which serves as a model of inspiration in personal, professional and volunteer efforts; a track-record of community enhancement through a project designed to make a difference; and service to the community beyond that for which compensation is received.

REGIONAL **Impact Award Northwest Hardwoods**



The Regional Impact Award recognizes leadership in economic development initiatives of the region; a focus on collegially inclusive approach to new and existing business opportunities within our regional corridor; and a commitment to the economic prosperity of the region.

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