

MEMORANDUM

DATE: December 23, 2025

TO: Councilmember Dan Strauss, Seattle City Council

Director Brooke D. Belman, Seattle Department of Construction & Inspections

FROM: Arushi Thakorlal, Acting City Auditor

RE: Audit of the Process for Final Inspections of Buildings

We conducted this audit in response to Seattle City Councilmember Dan Strauss' request that we review the Seattle Department of Construction & Inspections' (SDCI) process for conducting final building inspections. Our objective was to determine if the final inspection process is clear, consistent, and timely. We focused this audit on final electrical and final building inspections that occurred from January 2023 through June 2025. We analyzed inspection data, reviewed policies and procedures, interviewed staff and management, and participated in ride-alongs with inspectors.

We found that SDCI is generally meeting their goals in conducting final building and final electrical inspections. However, we also learned that other departments must sometimes conduct inspections before SDCI can grant approval to occupy a building, so any delays experienced in those departments may be affecting SDCI's timeliness in granting approval. We could not quantify the definite effect of those departments because they are not fully integrated into SDCI's permitting and inspections software system, Accela.

We conducted an <u>audit</u> of SDCI's permitting process in 2023 and made 11 recommendations to improve that process, all of which remain open; we believe that some of these open recommendations, once implemented, would benefit the inspection process as well. There are no new recommendations for SDCI stemming from this audit of the process for final inspections of buildings, and we provide this memo in lieu of our usual audit report. In this memo, we summarize the results from our audit work, highlight relevant recommendations from our past audit work, and make suggestions for SDCI management to consider. SDCI reviewed this memo and concurred with our conclusions. We will continue to follow up on the open recommendations annually until they are implemented or closed.

Background

SDCI is responsible for inspecting permitted construction projects to ensure they are in compliance with approved plans and applicable building codes. SDCI conducts multiple types of inspections at various stages of a project. Some permits require final inspections after construction, addition, alteration, or installation works are completed. After final building inspections, SDCI then grants approval for occupancy, as shown in Exhibit 1. This audit focused on the final building and final electrical inspection process.

Exhibit 1: Construction permitting and inspections process and milestones



Source: Office of City Auditor

Building and electrical inspections are the most common type of inspections SDCI completed in 2023 and 2024. New multifamily and commercial construction projects are issued a certificate of occupancy after final inspections; single-family homes and duplexes don't require a certificate, so they only receive a final approved inspection. Some building projects are issued temporary certificates of occupancy for partial or phased occupancy. Customers are responsible for requesting the necessary inspections for their permit; this can be handled directly by the homeowner or by a contractor. Inspections can be scheduled online through the Seattle Services Portal (Accela) or by phone. SDCI includes the cost of inspections in permit fees.

SDCI's process for a final building inspection requires that all inspections on all related permits have been completed. These can include:

- site, electrical, mechanical, and refrigeration inspections conducted by SDCI
- fire protection system inspections conducted by SDCI and Seattle Fire Department (SFD)
- side sewer inspections completed by Seattle Public Utilities (SPU)
- plumbing inspections conducted by Public Health Seattle & King County
- special structural and geotechnical inspections completed by third-party entities

SDCI completed 23,155 final building and 89,589 final electrical inspections between January 2023 and June 2025. SDCI has 12 building and 14 electrical <u>inspection districts</u> across the city with assigned inspectors.

In 2023, we published an audit of SDCI's construction permit process, <u>City's Construction Permitting Needs More Customer Focus and Consistency</u>, and made 11 recommendations to various City of Seattle departments and offices. As of our last recommendation follow-up on December 31, 2024, all the recommendations remain open. We will continue to follow up on these recommendations as part of our annual recommendation follow-up process.

Timeliness of Final Inspections

SDCI is meeting its timeliness goal for conducting final inspections. SDCI has a goal of completing electrical, mechanical, building, and site inspections on their scheduled days. We analyzed electrical and building inspection data and found that SDCI completed 98% of final building and final electrical inspections on their scheduled days. Customers can request inspections on their preferred day, and appointments for inspections are available on the same day for customers who make a request before 7 a.m. Customers can also request inspections outside of normal working hours for a fee. Inspection staff told us they also sometimes complete urgent requests for same-day inspections.

Differing resources and priorities across departments can affect the timeliness of SDCI granting approval to occupy a building. Although SDCI completed 98% of final building inspections on their scheduled days, they cannot grant building occupancy until some of the other departments that also review permits (e.g., SFD, SPU, Seattle City Light [SCL]) complete their inspections to ensure compliance with issued permits and applicable codes. For example, multifamily and commercial construction projects with a fire alarm permit need to have a completed SFD inspection of fire protection and life safety systems before SDCI approves the building for occupancy. In June 2025, SFD advised customers that inspections were scheduled at least four weeks out. By October 2025, SFD reported that the inspection wait time was reduced to about two to three weeks. Since SDCI does not grant occupancy until SFD signs off on required fire protection and life safety systems inspections, even if SDCI has completed the final inspection, these wait times can impact a customer's ability to occupy a building.

SDCI inspection managers also identified SCL and Seattle Department of Transportation's (SDOT) permitting processes as potential bottlenecks for approving final building inspections. However, SDCI does not currently withhold occupancy of buildings if the only pending inspections are for SDOT's right-of-way permits.

As highlighted in our 2023 Permitting Audit, departments that review permits, and hence conduct inspections, have different funding mechanisms and staffing models, which affect their ability to respond to changes in permit demand. These different resource levels also affect the timeliness of inspections. SDCI uses permit fees to fund their inspection division and has budget reserve and position authority to facilitate rapid staffing changes in response to changes in building permitting activity. Although SFD's Regulating Construction unit also uses permit fees for permit and inspection work, the fees are deposited into the City's General Fund, and SFD does not have the same budgetary flexibility as SDCI. According to SFD's Fire Prevention Director, the department recently hired two new fire inspectors and aims to reduce its inspection wait time to eight business days. SDCI inspection managers told us they collaborate with SFD and SCL to streamline the inspection process.

In our 2023 Permitting Audit, we recommended that the City Budget Office evaluate the governance and funding structures of departments that review construction permit applications. This recommendation is pending, and we will continue to follow up on it to make sure the evaluation of these departments does not exclude their inspection function.

More work is needed to incorporate SFD's inspection process into Accela. As highlighted in the 2023 Permitting Audit, other departments involved in the permitting process, and thus the inspection process, are not fully integrated into Accela. SDCI has been funding some efforts to improve SFD integration into Accela. For example, SFD still uses carbon copy inspection reports uploaded into a separate database system. SDCI recently created a fire inspection reporting process in Accela so building inspectors can upload SFD's hardcopy fire protection system inspection reports. SDCI is also working with SFD to fund a proof of concept that could give fire inspectors access to approve fire inspections directly in Accela. However, SFD's Fire Prevention Director told us the department would like to use Accela as its main construction permitting and inspection platform, but it does not have the funding for implementation.

In our 2023 Permitting Audit, we recommended that the Mayor's Office create a strategy, including the necessary resources, for providing ongoing support for Accela. We also recommended that SDCI coordinate with other departments and evaluate which departments are using Accela and determine how to improve their integration and use of the portal. Implementation of these pending recommendations could further streamline the inspection process for customers.

Additionally, SDCI and SFD are changing the fire alarm permitting process in Accela to clarify SFD and SDCI's fire alarm inspection role for customers. This involves splitting the current fire alarm permit into two distinct components (an electrical permit that SDCI manages and a fire alarm permit that SFD manages) to better define each department's responsibilities. SDCI is also improving the over-the-counter electrical permit process in Accela. SDCI inspection managers said the current process is overly complex for customers and has led to inaccurate permits being issued. SDCI plans to implement a new process in January 2026, pending City Council's approval.

Customer Service, Transparency, and Consistency of Final Inspections

SDCI is implementing initiatives to improve customers' inspection experience. SDCI contracted with the consultant company Anthro-Tech to identify opportunities for improving customers' inspection experience. SDCI has implemented many of the initiatives in Anthro-Tech's 2023 study, described below.

- SDCI inspection groups began contacting customers on the morning of their inspection to provide a two-hour time window for estimated arrival. Inspectors also try to accommodate customers' preferences for morning or afternoon inspections.
- SDCI's building inspection group is piloting sending customer surveys to contractors to identify improvement opportunities. As a result of the survey, SDCI is making changes to Accela, and SDCI reported that customers will soon have access to comprehensive reports

- listing permits that need to be closed out before final inspections.
- SDCI posted their inspection district maps, with inspectors' contact information, on their website.
- SDCI inspectors enter their inspection results and corrections notes into Accela for customers to see what work, if any, is needed for the inspection to pass. Inspectors will enter inspection results either immediately after the inspection or by the end of the day at the latest. Managers told us they review these notes to ensure consistency and plain language.

The remaining initiatives recommended by the Anthro-Tech study require changes to Accela and will likely take longer to implement. SDCI should continue to implement the initiatives and other process improvement efforts. SDCI should also consider expanding the customer survey to other inspection groups and customers to inform future improvement opportunities.

During our interviews, some SDCI employees said they believe more in-person customer support would be helpful, particularly during the permit application process. Before 2020, SDCI had permitting counters in the Seattle Municipal Tower where customers could meet with SDCI staff and get questions answered about their permit. The permitting counters were permanently closed during the COVID-19 pandemic and replaced by virtual support. In 2023, SDCI opened a new customer service desk in the lobby of the Seattle Municipal Tower to provide more general in-person assistance to customers. However, some employees said this service may not meet the full range of customer needs. In our 2023 Permitting Audit, we recommended that SDCI address potential permitting barriers and equity concerns and develop a strategic customer engagement program with performance metrics. Monitoring performance metrics will allow SDCI to evaluate if their current customer service system is meeting customers' needs.

Inspectors and managers focus on customer service and supporting projects to completion.

During our ride-alongs, we observed that inspectors adhere to SDCI's customer service expectations for inspections. We also analyzed electrical and building inspection data and found that SDCI's overall approval rates were around the 80% goal identified by inspection managers. There was no wide variation in the overall approval rates across the 12 building and 14 electrical inspection districts.

SDCI has also developed publicly available tip sheets that provide guidelines to customers about the different inspection types, what inspectors look for, and the certificate of occupancy process. Inspection information is provided in multiple languages, and there is a phone option for interpretation services detailed on SDCI's website. The building inspection group is also planning on revamping the pre-construction meeting process to provide early support and information to projects that could be eligible for a temporary certificate of occupancy.

Ongoing Efforts to Promote Effective Inspections

SDCI has multiple ongoing activities to make sure the inspection process is operating effectively to reduce the risk of errors, incompletion, and impropriety. These include:

- Sending advisory emails to customers about expiring or expired permits and the need for inspection or renewal.
- Conducting advisory inspections for expired permits.
- Holding regular training and weekly meetings with inspectors to ensure consistency in code interpretation.
- Requiring electrical and building inspectors to be licensed electricians and certified building
 inspectors. Inspectors and managers typically have extensive experience in the trades before
 joining the City.
- Revamping the onboarding process for new electrical inspectors to ensure consistency in training.
- Rotating inspectors among inspection districts, which is a best practice to reduce fraud risk and promote exposure to different projects.
- Assigning floating inspectors to inspections citywide and providing coverage during employee absences.
- Discussing and resolving potential conflict of interest issues.
- Conducting manager ride-alongs with inspectors and developing assessment forms for the ride-along.
- Establishing clear work expectations for inspectors.
- Using a dashboard to track inspection metrics.

SDCI should consider formally documenting their ongoing practices of inspector district rotations, manager ride-alongs, and conflicts of interest resolution processes to facilitate the continuity of these activities.

Relevant Recommendations from the 2023 Permitting Audit

We identified five recommendations from our <u>2023 Permitting Audit</u> that are relevant to this audit and, if implemented, could improve the final inspections process. These recommendations are pending, and information about their status is available on our <u>interactive dashboard</u>. We will continue to follow up on these recommendations annually until they are implemented or closed.

Recommendation 2: The Seattle Department of Construction & Inspections (SDCI) should address potential permitting barriers and equity concerns by incorporating the City's Race and Social Justice Initiative (RSJI) values into the permitting process. This should involve completing a Racial Equity Toolkit (RET) for the entire permitting process or several RETs for specific parts of the process. SDCI should consult with the Seattle Office for Civil Rights for RET guidance and support and with other City departments that are involved in permitting or have a stakeholder interest. In the RET, SDCI should evaluate the accessibility of their current process and tools, including considering the needs of customers who lack computer skills, people with disabilities, and people with limited English

proficiency, among others. The RET should also include a stakeholder analysis to determine who is impacted by the permitting process and from whom SDCI should get regular feedback. The City should implement the recommendations that result from this effort.

Recommendation 3: The Seattle Department of Construction & Inspections (SDCI) should develop a strategic customer engagement program for their construction permitting process, which could include: • Establishing customer service and satisfaction baseline data. • Defining performance measures that relate to SDCI's strategic goals. • A process to routinely monitor performance measures. • Defined roles for SDCI employees who are responsible for implementing process improvements.

Recommendation 7: The City Budget Office, in collaboration with other City departments, should evaluate the governance and funding structures of departments that review construction permit applications and determine if changes can be made to better position the City to quickly respond to fluctuations in permit demand while meeting customer expectations.

Recommendation 8: The Mayor's Office should develop and implement a strategy, including the required resources, for providing ongoing support for the Seattle Services Portal (Accela) and other software used in the construction permitting process. The Mayor's Office should collaborate with the Seattle Information Technology Department and other departments involved in construction permitting.

Recommendation 9: The Seattle Department of Construction & Inspections (SDCI) should evaluate which departments are using Accela for construction permit review and determine how to improve their integration and use of the portal. SDCI should coordinate with other City departments involved in the construction permitting process.

Objective, Scope, and Methodology

Seattle City Councilmember Dan Strauss requested that we examine the City's process for conducting final inspections of buildings. Our objective was to determine if the process for conducting final inspections is clear, consistent, and timely. The scope of this audit included final building and electrical inspections completed by SDCI between January 1, 2023, and June 30, 2025.

To accomplish the audit's objective, we performed the following:

- Conducted ride-alongs with electrical inspectors in 5 of 14 electrical inspection districts
- Conducted ride-alongs with building inspectors in 9 of 12 building inspection districts
- Interviewed SDCI's inspection director and managers, SDCI's Organization Strategy and Support managers, and the Seattle Fire Department's Fire Prevention Director
- Analyzed final building and final electrical inspection data
- Reviewed related documentation, including policies and procedures to assess final inspections process internal control activities

We assessed the reliability of the inspection datasets that SDCI provided to us and concluded that the data was sufficient and appropriate for this audit. The results of our ride-alongs cannot be projected to all inspection districts because we used a judgmental method to select the inspection

districts we visited to ensure sufficient geographical coverage of the city.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.



Seattle Office of City Auditor 700 Fifth Avenue, Suite 2410 Seattle, WA 98124-4729 Ph: 206-233-3801 www.seattle.gov/cityauditor