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Removing Barriers in Ohio's Permitting Process: Proposed Reforms Could Become Legislative Reality

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The building permitting process has long been mired with uncertainty and often costly delays for Ohio's real estate developers, contractors, property owners, and the business community. However, revisions to R.C. Sections 3781.031 and 3791.04 proposed by Ohio real estate industry leaders seek to add predictability, transparency, and accountability to the permitting process by:

- providing a common-sense framework for local governments that requires reasonable timelines to review permit applications and conduct inspections; and
- giving applicants the ability to engage third parties when the local government cannot adhere to those parameters.

Key features of the proposed permitting reforms[1] include the following:

- Local authorities must notify applicants within five business days after receipt of an application whether such application is "complete."
- Following notification that the application for a permit is complete, the local authorities must render a decision on the application within 30 days.
- If local authorities notify an applicant that it cannot process the permit application within 30 days, the applicant has the option to use a third-party architect or engineer (at the applicant's expense) to review the permit application.
- If the local authority cannot process the permit application within 30 days and the applicant opts to use a third-party architect or engineer, the applicable fees are reduced by 50%.
- In addition to permitting, many developers and business owners find scheduling inspections to be problematic, and the proposal provides that inspections must be performed within two business days of the developer's request. As with permitting, the applicant can opt to use a third-party service provider to provide the inspection.
- Applicants can use the expedited appeal procedures set forth in proposed Ohio S.B. 41.
- Local authorities must meet with owners when issuing stop-work orders (with exceptions in situations where threats to public safety exist) in order to resolve violations within two business days. If the violations are not resolved, the owner is entitled to an expedited appeal.

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The uncertainty created by multiple regulatory schemes, staffing problems, unreasonably long review periods, and inconsistent inspection criteria have negatively affected new real estate development investment in Ohio, and the time and expense added by inconsistent permitting and inspection processes often act as a roadblock.

Several other states, including Florida, Georgia, North Carolina, and Texas, have enacted similar frameworks in recent years. Tucker Ellis and other Ohio real estate industry leaders view these reforms as crucial to establishing a competitive, common-sense regulatory framework for real estate developers and businesses.

If permitting delays have affected your business, please contact us to share your experiences so that we can relay concerns directly to state legislators as they consider the proposed reforms.

[1] Tucker Ellis Partner Justin Eddy drafted the proposed amendment to Ohio S.B. 41, which would amend R.C. 3781.031 and 3791.04 to implement the reforms discussed in this article. Justin also has actively communicated with Ohio S.B. 41's sponsor and the Chair of the House of Representatives Economic and Workforce Development Committee to make these reforms a reality.

Additional Information

For more information, please contact:

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