



Commercial Temporary Certificate of Occupancy and Substantial Completion: Use of Commercial Buildings and Issuance of Tenant Improvement Permits Prior to Final Inspection Approval

Category: Commercial Construction

Revised: December 22, 2017 [Rebecca Esau], Director

Responsible Bureau Sections: Commercial Inspections
503-823-7303

Facility Permit Program
503-823-5996

Permitting Services
503-823-7357

I. Background:

In some instances, it is necessary to occupy a building before the building certificate of occupancy can be issued. Examples include occupation of tenant improvement areas in hospitals prior to fulfilling related land use conditions, or occupation of a sales and leasing area in a new apartment building. In some cases, it is appropriate to allow permit issuance of a tenant space in a building prior to the approved final inspection of the building. An example includes allowing work on an office or restaurant tenant to begin prior to the approved final inspection of an entire new mixed-use building. Allowing occupancy and issuance of tenant improvement permits prior to final inspection in some situations provides flexibility to customers and decreased construction times, while maintaining compliance with critical fire and life safety requirements. The Bureau of Development Services (BDS) may allow issuance of tenant improvement permits and/or occupancy of tenant spaces prior to approval of final building inspection under certain circumstances. This guide outlines those circumstances and the requirements for requesting early occupancy or tenant improvement work.

Generally, there are two ways to certify that a building or space is suitable for occupation or issuance of further tenant improvement work prior to approval of final

Bureau of Development Services Program Guide –Temporary Certificates of Occupancy and Substantial Completion: Use of Commercial Buildings and Issuance of Tenant Improvement Permits Prior to Final Inspection Approval

Page 2 of 5

December 22, 2017

inspection. They are a Temporary Certificate of Occupancy, and meeting guidelines that determine Substantial Completion.

II. Temporary Certificate of Occupancy and Substantial Completion

Occupation of a building or portions of a building prior to approval of final inspection may be allowed through a Temporary Certificate of Occupancy (TCO). A TCO can be utilized when the building or relevant portion of the building have been assigned a building code occupancy classification during plan review and permit issuance, and authorizes use of the building or portion of building prior to final inspection approval.

A determination of Substantial Completion may be utilized to allow issuance of a tenant improvement permit prior to final inspection approval or TCO of a core/shell permit.

A TCO or determination of Substantial Completion does not eliminate the need for any outstanding requirements, including land use review approvals or conditions of approval (including design review) or landscaping requirements to be completed before the Certificate of Occupancy can be issued.

A. Early Coordination, Projects where the potential need for a TCO or determination of Substantial Completion is anticipated should coordinate with BDS as early as possible to adequately plan for a successful project. For a project to be considered a candidate for a potential TCO or determination of Substantial Completion the scope of work shall be discussed at the pre-construction meeting.

B. Temporary Certificate of Occupancy. A TCO may be issued in cases where the permit established a building code occupancy and use of the building may be authorized prior to approval of final inspection and Certificate of Occupancy.

1. Requirements. The requirements for issuance of a TCO are located on Checklist-Temporary Certificate of Occupancy Requirements form found at <https://www.portlandoregon.gov/bds/34532>.

2. Obtaining a Temporary Certificate of Occupancy

a. How to Request. The building owner or the owner's representative may request a TCO. A request may be made through IVR using inspection code 290.

b. Required Information. TCO requests shall include the following information:

- 1) Building address
- 2) Permit number
- 3) Date building or portion of the building is to be occupied

Bureau of Development Services Program Guide –Temporary Certificates of Occupancy and Substantial Completion: Use of Commercial Buildings and Issuance of Tenant Improvement Permits Prior to Final Inspection Approval

Page 3 of 5

December 22, 2017

4) If less than 100% of the building is to be occupied, identify the area and portion of the building to be occupied. BDS will only consider TCO requests after all fire and life safety requirements are completed and have been approved through the inspection process. In some cases, BDS will approve temporary fire and life safety measures to meet this requirement.

c. Inspection. An inspector will meet the owner or owner's representative at the building site and conduct an inspection to determine the following:

- 1) Requirements to be met before TCO issuance; and
- 2) Requirements to be met before final certificate of occupancy issuance.

After inspection approval, BDS will create the TCO. The TCO will list all work to be completed prior to issuance of Certificate of Occupancy, a completion date, and an expiration date for the certificate.

All inspection disciplines must agree that the TCO may be issued before issuance can occur.

d. Issuance. The owner will be notified that the TCO is available for issuance. Before issuance, the owner must pay the TCO issuance fee at the Development Services Center or through the IVR system. This fee is subject to change, call Commercial Inspections at (503) 823-7303 for Commercial permits, (503) 823-5996 for Facility Permit Program permits or see the website at www.portlandoregon.gov/bds for the current fee.

e. Security guarantee. In some circumstances, a security document may be required for any unfinished work. When required, the value of the document will be set at 120% of the value of the work to be completed.

f. Expiration of a Temporary Certificate of Occupancy. The expiration date of the TCO will be determined on a case by case basis. Unless otherwise noted by BDS, TCOs will expire within 30 days of issuance. The expiration date shall be clearly noted on the TCO.

Before the TCO expires, a final inspection must be requested. Final inspections are requested through IVR using inspection code 999.

g. Extensions of a Temporary Certificate of Occupancy. TCOs may be extended beyond the expiration date. Request for extension shall be made directly to the inspector. Timelines for extensions will be set by negotiation between the inspector and owner. Additional fees apply and must be paid prior to granting the extension.

Bureau of Development Services Program Guide –Temporary Certificates of Occupancy and Substantial Completion: Use of Commercial Buildings and Issuance of Tenant Improvement Permits Prior to Final Inspection Approval

Page 4 of 5

December 22, 2017

- h. Closing of a Temporary Certificate of Occupancy.** After the inspector has re-inspected the property one of the three things will happen:
- 1) All outstanding requirements will have been met: The inspector approves final inspection and issues the certificate of occupancy;
 - 2) All outstanding requirements have not been met: Another TCO is issued including all remaining requirements and a new expiration date for requirement completion; or
 - 3) All outstanding requirements have not been met: Another TCO is NOT issued, and the inspector begins enforcement action by issuing a notice of violation and establishing a violation case.
- C. Substantial Completion.** A determination of Substantial Completion may be made in cases where a core/shell permit did not establish a building code occupancy. Work on tenant improvement permits is not allowed to begin prior to final inspection approval of the core/shell permit.
- 1. Requirements.** The following are guidelines that will be used by BDS to determine Substantial Completion.
- a. The structure must be framed and dried in.
 - b. The elevator, stair, and exit passageways must be framed and wallboard/core board installed, inspected and approved.
 - c. The HVAC, electrical, plumbing, fire sprinkler and fire alarm system must be roughed in for the core/shell permit, inspected and approved with systems available for tenant improvement work.
 - d. Fire stopping of the core//shell permitted work within the tenant improvement area must be completed, inspected, and approved.
 - e. No core/shell permit revisions that have an overlapping scope with the tenant improvement area may be Under Review; they must be Issued. Note: Review of core/shell permit revisions that have an overlapping scope with issued tenant improvement permits will require that work on the tenant improvement be stopped until such time the revision to the core/shell permit is issued. In addition, core/shell permit revisions that impact an issued tenant improvement will require re-review of the tenant improvement permit prior to re-start of the tenant improvement work.
 - f. The tenant improvement permit must include a clear statement that occupancy will not be approved until the core/shell work is completed and a Certificate of Occupancy, Temporary Certificate of Occupancy, or Certificate of Completion is issued or approval of final inspection is granted.
 - g. For multi-story buildings, a determination of Substantial Completion must be made for at least one story above and one story below the relevant tenant improvement area.

