Date of Hearing: March 12, 2025

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT Juan Carrillo, Chair 78 AB 253 (Ward) – As Introduced January 15, 2025

SUBJECT: California Residential Private Permitting Review Act: residential building permits

SUMMARY: Allows an applicant for specified residential building permits to contract with or employ a private professional provider to check plans and specifications if the county or city building department estimates a timeframe for this plan-checking function that exceeds 30 days, or does not complete this plan-checking function within 30 days. Specifically, **this bill**:

- 1) Creates the California Residential Private Permitting Review Act within the State Housing Law.
- 2) Provides that the provisions in 3) through 7), below, shall only apply to both of the following:
 - a) A new residential construction that contains at least 1 unit, but no more than 10 units, and has no floors used for human occupancy located more than 40 feet above ground level.
 - b) A residential addition to, or remodel of, an existing building that contains 1 to 10 dwelling units and has no floors used for human occupancy located more than 40 feet above ground level.
- 3) Requires, upon receipt of a completed application for a residential building permit, the building department of every city or county to provide the applicant with an estimated timeframe in which checking plans and specifications submitted as a part of the application will be completed. If the estimated timeframe exceeds 30 days, the applicant may contract with or employ at the applicant's own expense a private professional provider to check the plans and specifications to comply with the other requirements imposed pursuant to State Housing Law or by local ordinances adopted pursuant to State Housing Law.
- 4) Allows the applicant to contract with or employ at the applicant's own expense a private professional provider to check the plans and specifications to comply with other requirements imposed pursuant to State Housing Law or by local ordinances adopted pursuant to State Housing Law, if the building department has not completed checking plans and specifications submitted as part of the application within 30 days of receiving a completed application.
- 5) Provides that, if a private professional provider performs the plan-checking function, all of the following shall apply:
 - a) The private professional provider shall prepare an affidavit, under penalty of perjury, stating both of the following:
 - i) If the plans and specifications comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant State Housing Law.
 - ii) The private professional provider performed the plan-checking function.

- b) The applicant shall submit to the building department a report of the plan-checking function. The report shall include all of the following:
 - i) The affidavit described in a), above.
 - ii) If the plan and specifications do not comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law, the requirements for the plans and specifications to comply with the other requirements imposed pursuant to State Housing Law or the local ordinances adopted pursuant to State Housing Law.
 - iii) Additional information required by the building department.
- c) Within 14 days of receiving the report described in b), above, the building department shall consider the report and based on the report shall do either of the following:
 - i) Issue the residential building permit if the plans and specifications comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law.
 - ii) Notify the applicant in writing that the plans and specifications do not comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law, if the plans and specifications do not comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law. The notice shall specify the requirements for the plans and specifications to comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law.
- d) Requires, if the building department does not issue the residential building permit or notify the applicant within 14 days pursuant to c), above, the plans and specifications to be deemed compliant with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law, and the residential building permit to be deemed approved.
- 6) Allows, if the department notifies the applicant pursuant to c) ii), above, the applicant to do either of the following:
 - a) Resubmit corrected plans and specifications to the building department to check the corrected plans and specifications.
 - b) Contract with or employ at the applicant's own expense a private professional provider to check the corrected plans and specifications. The check of the corrected plans and specifications shall be subject to the timelines and requirements of 5), above.
- 7) Provides the following definitions:
 - a) "Applicant" means a person who submits an application.
 - b) "Application" means an application for a residential building permit.

- c) "Private professional provider" means a professional engineer licensed pursuant to the Professional Engineers Act or an architect licensed pursuant to the Architects Practice Act, as specified, who does not have a financial interest in the residential building permit or preparing the plans and specifications.
- 8) Requires, if a governing body of any county or city, including a charter city, prescribes fees for a residential building permit as authorized by State Housing Law, the building department of the city or county to prepare a schedule of the fees for a residential building permit and post the schedule on the county's or city's internet website, and makes conforming changes.
- 9) Finds and declares that addressing the housing crisis and the severe shortage of housing is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this bill applies to all cities, including charter cities.
- 10) Contains a number of additional findings and declarations regarding the purpose and intent of this bill.
- 11) Provides that no reimbursement is required by this bill pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this bill or because costs that may be incurred by a local agency or school district will be incurred because this bill creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, or changes the definition of a crime, as specified.

EXISTING LAW:

- 1) Allows cities and counties to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws." It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public, including land use authority. (California Constitution, Article XI, § 7)
- Establishes the California Building Standards Commission (CBSC) within the Department of General Services, which requires CBSC to approve and adopt building standards and codify those standards in the California Building Standards Code. [Health and Safety Code (HSC) § 18930]
- 3) Establishes the Permit Streamlining Act (PSA), which, among other things, establishes time limits within which state and local government agencies must either approve or disapprove permits to entitle a development. [Government Code (GOV) § 65920 65964.5]
- 4) Establishes standards and requirements for local agencies to review non-discretionary postentitlement phase permits, including time limits within which local agencies must either approve or disapprove these permits. (GOV § 65913.3)
- 5) Allows the governing body of a local agency to authorize its enforcement agency to contract with or employ a private entity or persons on a temporary basis to perform plan-checking functions, as specified. (HSC § 17960.1 § 19837)

- 6) Requires a local agency to contract with or employ a private entity or persons on a temporary basis to perform plan-checking functions upon the request of an applicant for specified structures where there is an "excessive delay" in checking the plans and specifications that are submitted as a part of the application. (HSC § 17960.1 § 19837)
- 7) Generally defines, for a residential building permit, "excessive delay" to mean the building department or building division of a local agency has taken more than 30 days after submitting a complete application to complete the structural building safety plan check of the applicant's set of plans and specifications that are suitable for checking. "Residential building" means a one-to-four family detached structure not exceeding three stories in height. (HSC § 17960.1)
- 8) Generally defines, for a nonresidential permit for a building other than a hotel or motel that is three stories or less, "excessive delay" to mean the building department or building division of the local agency has taken more than 50 days after submitting a complete application to complete the structural building safety plan check of the applicant's set of plans and specifications that are suitable for checking. (HSC § 19837)

FISCAL EFFECT: This bill is keyed fiscal and contains a state-mandated local program.

COMMENTS:

1) **Bill Summary**. This bill allows applicants for specified residential building permits to hire a private professional provider to check plans and specifications if the county or city building department estimates a timeframe for this plan-checking function that exceeds 30 days, or does not complete this plan-checking function within 30 days. This bill defines private professional providers to mean licensed professional engineers or architects that do not have a financial interest in the residential building permit or preparing the plans and specifications.

This bill requires the private professional provider to prepare a specified affidavit, under penalty of perjury, and requires the applicant to submit to the building department a report of the plan check that includes the affidavit and additional specified information. Within 14 days of receiving the report, the building department must do either of the following:

- a) Issue the residential building permit if the plans and specifications comply with State Housing Law or local ordinances adopted pursuant to State Housing Law.
- b) Notify the applicant that the plans and specifications do not comply with State Housing Law or local ordinances adopted pursuant to State Housing Law, and specify the requirements to comply.

If the building department does not complete these requirements within 14 days, the plans and specifications must be deemed compliant and the residential building permit must be deemed approved.

This bill authorizes an applicant to resubmit corrected plans and specifications to the building department or hire a private professional provider to check the corrected plans and specifications.

The provisions outlined above apply only to the following types of projects:

- a) A new residential construction that contains at least 1 unit, but no more than 10 units, and has no floors used for human occupancy located more than 40 feet above ground level.
- b) A residential addition to, or remodel of, an existing building that contains 1 to 10 dwelling units and has no floors used for human occupancy located more than 40 feet above ground level.

This bill also requires counties and cities that prescribe fees for residential building permits to prepare a schedule of the fees and post the schedule on their websites. This bill applies to all cities, including charter cities.

This bill is sponsored by California YIMBY.

2) Author's Statement. According to the author, "AB 253 aims to streamline the housing production process by addressing delays in the post-entitlement plan check phase. This bill would allow homeowners and developers of residential projects up to ten units to hire a licensed third-party professional to review building plans for compliance with state laws and local ordinances if the local building department fails to complete its review within 30 days.

"Currently, post-entitlement permits—required before construction can begin—can take up to nine months for approval, creating a significant bottleneck that hinders housing production and impacts affordability. By providing an alternative review option, AB 253 eases the burden on overextended local building departments and accelerates project timelines, helping to increase housing supply and improve affordability."

- 3) Background. State Housing Law establishes statewide construction and occupancy standards for buildings used for human habitation. Existing law authorizes the governing body of a county or city to prescribe fees for permits, certificates, or other forms or documents required or authorized under the State Housing Law, and fees to defray the cost of enforcement required by the law to be carried out by local enforcement agencies.
- 4) **Building Codes**. The California Building Standards Code contains building standards and regulations as adopted by the BSC. These standards include, among other requirements, structural standards for building safety (the Building Code), fire safety standards (the Fire Code), energy efficiency standards (the Energy Code), and standards for green buildings (CalGreen).

The BSC updates the Building Standards Code on a three-year cycle. Once adopted at the state level, cities and counties in California then enact an ordinance to adopt the codes. New construction and improvements to existing buildings must comply with the current building codes, and improvements to an existing building may trigger additional code upgrades for other parts of the building.

Existing law requires the building department of every city or county to enforce the provisions of the State Housing Law, the California Building Standards Code, and the other specified rules and regulations promulgated pursuant to the State Housing Law.

5) **Planning for and Approval of New Development**. Planning for and approving new development is mainly a local responsibility. The California Constitution allows cities and counties to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws." It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public – including land use authority. Cities and counties enforce this land use authority through zoning regulations, as well as through an "entitlement process" for obtaining discretionary as well as ministerial approvals.

The scale of the proposed development, as well as the existing environmental setting determine the degree of local review that occurs. For larger developments, the local entitlement process commonly requires multiple discretionary decisions regarding the subdivision of land, environmental review pursuant to the California Environmental Quality Act (CEQA), design review, and project review by the local agency's legislative body (city council or county board) or by a planning commission delegated by the legislative body.

- 6) **The Permit Streamlining Act**. The PSA requires public agencies to act fairly and promptly on applications for development proposals. Under the PSA, public agencies have 30 days to determine whether applications for development projects are complete and request additional information; failure to act results in an application being "deemed complete." The PSA applies to the discretionary approval phase of a development review process; this is the phase where the agency, in its discretion, decides whether it approves of the concept outlined in the development proposal.
- 7) **Non-discretionary Post-entitlement Permits**. A development proposal that is approved and entitled by a local agency is still required to obtain approval for a range of non-discretionary permits. This includes building permits and other permits related to the physical construction of the development proposal. The timelines established in the PSA do not apply to these non-discretionary permits.

Essentially, the PSA applies to the discretionary approval phase of a development review process. This is the phase where the local agency, in its discretion, decides whether or not it approves of the concept outlined in the development proposal. Because the local agency is exercising discretion, these approval decisions are subject to CEQA. A development proposal that is approved and entitled by a local agency must also obtain approval of objective permits associated with the development proposal. This ensures the proposal is compliant with state and local building codes and other measures that protect public health, safety and the environment. This stage of the review process is often ministerial, as these post-entitlement permits are typically objective in nature. Generally, once a local agency invests the time and effort to approve and entitle a development proposal, there is an incentive for the agency to process the post-entitlement permits in a timely fashion.

8) **Excessive Delays for Plan Checks**. Existing law requires a local agency to contract with or employ a private entity or persons on a temporary basis to perform plan-checking functions upon the request of an applicant when there is an "excessive delay" in checking the applicant's plans and specifications.

For a nonresidential permit for a building other than a hotel or motel that is three stories or less, "excessive delay" generally means the building department or building division of the

local agency has taken more than 50 days after receiving a complete application to complete the structural building safety plan check of the applicant's set of plans and specifications that are suitable for checking.

For a residential building permit, "excessive delay" generally means the building department or building division of a local agency has taken more than 30 days after receiving a complete application to complete the structural building safety plan check of the applicant's set of plans and specifications that are suitable for checking. "Residential building" means a oneto-four family detached structure not exceeding three stories in height.

- 9) Author's Amendments. The author has requested that the Committee adopt amendments to add an urgency clause and joint- and co-authors, and make clarifying changes to the bill's findings and declarations.
- 10) **Previous Legislation**. AB 2433 (Quirk-Silva) of 2024 would have required a local agency that has not completed plan-checking services within 30 business days of receiving a completed application for a building permit to complete plan-checking services and issue or deny a building permit within specified time frames, upon request by the applicant for the building permit. AB 2433 was held in Senate Local Government Committee.

AB 3012 (Grayson), Chapter 752, Statutes of 2024, required cities and counties to make available on their internet websites a fee estimate tool that the public can use to calculate an estimate of fees and exactions for a proposed housing development, and required the Department of Housing and Community Development to create a fee schedule template and a list of best practices, as specified.

AB 2234 (Robert Rivas), Chapter 651, Statutes of 2022, required local agencies to process non-discretionary permits within 30 days for small housing development projects and 60 days for large housing development projects.

11) **Arguments in Support**. A coalition of supporters, including the sponsor of this bill, California YIMBY, write, "We support AB 253 (Ward) since it addresses a crucial administrative hurdle for developers trying to obtain post-entitlement permits. Currently, post-entitlement permits are issued once a project has earned its land use approvals and entitlements from the planning department, allowing the developer to proceed with detailed construction plans. Post-entitlement permits include building permits, grading permits, and other approvals necessary to start construction.

"Local building departments review the plans to make sure they are compliant with building codes and local ordinances, a process that is prone to delays because of immense workloads and resource constraints. California continues to have a slow and unpredictable postentitlement permitting process, which can serve as a barrier for small, local developers and homeowners seeking to complete modest housing projects. According to self-reported annual progress report (APR) data, the average fully-entitled apartment building takes approximately nine months to secure a post-entitlement permit.

"Delays around the local government approvals process for housing developments are cited as a common reason for the housing production pipeline being stalled. This bill helps alleviate these issues by ensuring timely post-entitlement plan checks for certain residential projects and providing an alternative mechanism for applicants to use licensed private professionals at this stage. By allowing private professional providers to do these checks, it presents a solution to the ever-changing workloads and resource constraints that local building departments regularly face. This plan will specifically help small, residential projects. Unlike a public plan reviewer, third-party plan reviewers do not enjoy qualified immunity and thus have strong incentives to not approve non-compliant plans or construction. Licensed third party architects and engineers that approve poor work could lose their professional licenses and be faced with substantial personal liability.

"By ensuring clear timelines, the bill will allow local governments to remain focused on housing delivery while opening a pathway for applicants to avoid delays. These reforms are essential for advancing the state's broader goals of housing availability and affordability."

12) Arguments in Opposition. None on file.

13) **Double-Referral**. This bill is double-referred to the Housing and Community Development Committee, where it is scheduled to be heard on March 12, 2024.

REGISTERED SUPPORT / OPPOSITION:

Support

California YIMBY (SPONSOR) Abundant Housing LA Bay Area Council California Apartment Association California Community Builders Circulate San Diego East Bay Leadership Council Fieldstead and Company, INC. Housing Action Coalition Housing Trust Silicon Valley Redlands Yimby San Diego Housing Federation SPUR The Two Hundred Westside for Everyone

Support If Amended

California Association of Realtors

Opposition

None on file.