



Fact Sheet: AB 253 Third-Party Residential Permitting

PROPOSED BILL

AB 253 aims to streamline the review and issuance of post-entitlement permits for residential projects containing 1-10 units that are less than 40 feet tall. It does so by allowing project proponents to use third-party professionals to review certain post-entitlement permits if it would take the local building department longer than 30 days to conduct that review.

BACKGROUND

California faces an acute housing crisis, marked by a severe shortage of homes to meet the needs of all Californians. Delays in the local government approvals process for housing developments are cited as a significant constraint restricting the housing production pipeline.

In California, post-entitlement permits are issued after a project has obtained its initial land use approvals and entitlements from the planning department, allowing the developer to proceed with detailed construction plans. These permits include building permits, grading permits, and other approvals necessary to start physical construction.

Local building departments review the plans to ensure compliance with state building codes and local ordinances, a process that may be prone to delays due to fluctuating workloads and resource constraints. California continues to have a slow and unpredictable post-entitlement 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.

Lengthy review periods at this stage can hinder the housing pipeline by delaying the transition from approved projects to active construction. This may affect overall construction costs as certain prices may increase and developers must continue to pay interest on loans. Delays and uncertainty at the post-entitlement stage also reduce the predictability needed for developers to plan effectively, further exacerbating California's housing shortage. For a homeowner seeking to add gentle density to their property, bureaucratic barriers and delays may cause them to abandon the project entirely further constraining the housing production pipeline.

SOLUTION

AB 253 addresses this critical administrative hurdle 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. In much of the developed world—e.g. the UK and Japan—permit reviews and inspections for fully-entitled projects are handled by insured and licensed professionals hired by the applicant. Over the past year, many US states have responded to the housing crisis by adopting this international best practice. Florida, Tennessee, and Texas have all passed bills to this effect.

The ability to utilize private professional providers offers a solution to the unpredictable workloads and resource constraints often faced by local building departments. This flexibility enhances

efficiency in the permitting process for small, residential projects. Unlike a public plan reviewer, third-party plan reviewers do not enjoy qualified immunity and so face strong incentives to avoid signing off on non-compliant plans or construction. Licensed third-party architects and engineers who sign off on poor work could lose their professional licenses and face substantial personal liability.

By mandating clear timelines measures, the bill ensures that local governments remain focused on housing delivery while giving applicants a pathway to avoid unnecessary delays. These reforms are essential for advancing the state's broader goals of housing availability and affordability.

SUPPORT

California YIMBY (Sponsor)

OPPOSITION

None on file.

FOR MORE INFORMATION

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