



CALIFORNIA STATE SENATOR

Jesse Arreguín

REPRESENTING SENATE DISTRICT 07

SB 489 – Permit Streamlining Act

SUMMARY

SB 489 would reduce costly delays in the permitting process and facilitate the approval and construction of much-needed housing in California. SB 489 would improve the Permit Streamlining Act (PSA) by requiring all public agencies to post online the information necessary for a housing development application to be deemed complete.

SB 489 would also eliminate gaps in the PSA and clarify the relationship of the PSA's permitting rules and the separate rules governing post-entitlement phase permits so that all required public agency permits required to approve and build a housing project are expressly covered by either the PSA or the post-entitlement permit statutes, as appropriate.

BACKGROUND

The Legislature has long recognized the importance of a clear, transparent, and timely entitlement process for housing projects:

- “The Legislature finds and declares that there is a statewide need to ensure clear understanding of the specific requirements which must be met in connection with the approval of development projects and to expedite decisions on such projects.” (Gov’t Code §68921)
- “The Legislature finds and declares that ... there is an immediate need to encourage the development of new housing...through changes in law designed to... [e]xpeditate the local and

state residential development process.” (Gov’t Code §65913)

Recently, the *Final Report from the California Assembly Select Committee on Permitting Reform* (March, 2025) found that, notwithstanding prior state reform legislation, “failures in the permitting process [continue to] play an outsized role in the overall housing crisis. For individual projects, it factors heavily into the timeframe and risks associated with building housing—both of which are correlated to increased costs.”

The Select Committee’s *Final Report* also highlighted the fact that each housing project “will require a government-issued permit before they can be built – and some will require dozens... and [t]herefore, only if governments consistently issue permits in a manner that is timely, transparent, consistent, and outcomes-oriented, will we be able to address our housing and climate crises.”

PROBLEM

The PSA was enacted in 1977 and many of its key provisions have not been updated to reflect the current permitting problems facing housing projects. For example, while the PSA requires most public agencies to compile a detailed list of the information required for an application for a housing project to be deemed complete, and to include the criteria which the agency will apply to determine the application’s completeness, the PSA requires only cities and counties to post this information online. The PSA does not comprehensively require the myriad of other public

agencies from which housing development projects are required to secure regulatory approval, to post this important information online.

The regulatory landscape facing applicants for housing projects in 1977 was not nearly as complex and cumbersome as today's. Required permits were far fewer in number and type. As the Select Committee's *Final Report* observed, today's housing projects may require dozens of permits or permissions that are not currently defined as permits, from various state, regional, and local agencies.

Uncertainty and delays in the permitting process not only slow down housing production but also drive-up costs, making homes less affordable for Californians. For every month of delay, housing projects face rising material, labor, and financing costs, which are ultimately passed on to homebuyers and tenants.

SOLUTION

SB 489 would reduce costly delays in the permitting process and facilitate the approval and construction of much-needed housing in California. SB 489 would amend the PSA to:

- Require all public agencies with regulatory authority over housing projects to post online the detailed information that will be required from the applicant for an application to be deemed complete.
- Require the information that is posted online to include the name of the agency's permit/required regulatory approval and the criteria which the public agency will apply to determine the completeness of the application.
- Require Local Agency Formation Commissions to comply with these PSA requirements to post application information online for applications in connection with housing development projects (SB 489 would not apply any other provisions of the PSA to LAFCO approvals, e.g. the "shot clock" and deemed approved provisions).
- Clarify that the PSA's application processing and "shot clock" requirements with respect to housing development projects apply to the wide range of public agency approvals issued in connection with a housing development project, including permits, reviews, statements, actions,

authorizations, determinations, inspections, reports, clearances, and agreements required as conditions of approval, except for those permits especially governed by the post-entitlement permit statutes.

In sum, SB 489 will help to advance the goals of the State in building more housing by strengthening the integrity and efficiency of California's housing approval process, ensuring that housing projects can be built on time and at predictable costs. This will benefit not only home buyers and renters, but businesses and workers who rely on housing development for job opportunities.

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