SUPPORT AB 253 (WARD):

Housing Plan Review & Permitting "Shot Clock"

AB 253 will accelerate homebuilding by speeding up the plan review and permitting process in jurisdictions experiencing delays.

The housing shortage is a major driver of high housing costs — California needs to build new housing more rapidly in order to lower the cost of living.

- California has built <u>only 45%</u> of the housing needed to keep up with its population, causing housing prices to skyrocket.
- The state has the <u>second highest</u> rental costs in the country causing more than half of Californians to be rent-burdened.

Permitting delays slow down housing production and can even kill smaller housing projects by driving costs beyond what's feasible for small builders.

- Staffing shortages, permit backlogs, and intentional permitting slowdowns all add time and cost to new housing production.
- The average, fully-entitled 5-plus home apartment building takes <u>271 days</u> approximately nine months to secure a building permit.

Speeding up the permitting process for fully-entitled projects is a highimpact, no-cost way to increase the rate of housing production.

Third-party reviewers create the additional capacity necessary to speed up the plan review and permitting process.

- Licensed third-party reviewers are allowed to review and approve building plans in several other states and cities, including a few California cities, already.
- Third-party reviewers can shorten review and permitting timelines from months to just weeks, reducing costs for homebuilders and increasing project confidence, both key to turning plans into the fully-constructed housing we need.
- Third-party reviewers approve or disapprove plans based on the same criteria as city or county staff, and face substantial consequences for signing off on poor work.

AB 253 will allow new housing to be built faster and at lower cost by empowering homebuilders to hire a third-party reviewer for permit applications not reviewed in a timely manner by the local government.

AB 253 can be used by homebuilders when:

- The local government has failed to review the plan and issue permits within 30 days of the application.
- The project is 10 units or less, and four stories or below.
- The third-party reviewer hired is a licensed engineer or architect, and does not have any financial interest in the plans or permit.