## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 1206 (Harabedian) - Single-family and multifamily housing units: preapproved plans

Version: August 18, 2025 Policy Vote: L. GOV. 5-2, HOUSING 8-2

Urgency: No Mandate: Yes

**Hearing Date:** August 25, 2025 **Consultant:** Mark McKenzie

**Bill Summary:** AB 1206 would require local agencies to develop a program for the preapproval of single-family and multifamily residential housing plans, as specified, and include information on their annual progress reports (APRs) regarding the number of residential housing units that are approved using a preapproved housing plan.

## **Fiscal Impact:**

- The Department of Housing and Community Development (HCD) indicates that this bill would impose ongoing workload to collect, validate, and store reported data on the number of residential housing units that are approved using a preapproved housing plan, and provide technical assistance to local agencies, as well as one-time costs to update the housing element APR form and to update IT systems. HCD estimates that costs associated with this bill would be absorbable, assuming resources are approved for other APR-related bills that are pending in the Legislature. Staff estimates that ongoing workload directly attributable to this bill could exceed \$50,000 in staff time, and first-year costs could be as high as \$100,000 if no other APR bills are enacted and HCD would still be responsible for one-time fixed costs to update forms and IT systems, and to provide ongoing data collection and technical assistance services. See Staff Comments. (General Fund)
- Local agencies would incur state-mandated costs to establish a program to
  preapprove single-family and multifamily residential housing plans, to provide for a
  streamlined, ministerial approval process for approval of projects using preapproved
  plans, and include information on their APRs regarding the number of residential
  units approved using preapproved plans. Any local costs would not be statereimbursable because local agencies have general authority to charge and adjust
  planning and permitting fees to cover their administrative costs associated with new
  planning mandates. (local funds)

**Background:** In an attempt to increase standardization and predictability in housing approvals, there has been increased interest at the state and local level in preapproved plans for housing development. Existing law, as enacted by AB 1332 (J. Carrillo, Chap. 759/2023), requires all cities and counties to develop a program to preapprove accessory dwelling unit (ADU) plans by January 1, 2025. Local agencies must review the plans for applicants for preapproval just as they would for an ADU proposed for a specific site, and may charge the same permitting fees to review a preapproval plan proposal as they would a site-specific ADU plan. Once a plan is preapproved, the local agency must post the plan on its website, along with the contact information provided by the applicant. Existing law requires a local agency to ministerially approve or deny an

application for a detached ADU, pursuant to existing law, but must take action within 30 days for an ADU using a preapproved plan, rather than the current 60 day deadline for other ADU applications.

Existing law requires each city and county to submit an APR to HCD and the Governor's Office of Land Use and Climate Innovation (LCI) by April 1 of each year that includes specified information relating to the status and progress of implementing the general plan, including steps taken to meet the jurisdiction's share of regional housing needs pursuant to its housing element. Among this information, cities and counties must report zoning and rezoning information, specified information regarding density bonuses granted, the number of housing development applications received in the prior year and the number of proposed units included in those developments, the number of units approved and disapproved in the prior year, the number of housing units that were demolished in the prior year, and the net number of new housing units issued a completed entitlement, building permit, or certificate of occupancy in the housing element cycle, and the income category of each unit.

**Proposed Law:** AB 1206 would require each city and county to develop a program for the preapproval of single-family and multifamily residential housing plans by July 1, 2026, and specify that the bill's provisions would not apply to small jurisdictions until January 1, 2028. Specifically, this program would:

- Require the local agency to accept single-family and multifamily residential housing plans for 2-10 units for preapproval from any applicant without restriction.
- Require the local agency to approve or deny the application for preapproval pursuant to applicable state and local housing regulations.
- Authorize the local agency to charge the applicant the same fees it would charge an applicant for review and approval of a comparable residential development.
- Require an application for preapproval to include a statement that the applicant has sufficient authority, license, or ownership interest in the plan, as specified.
- Require the local agency to post the preapproved plans on the agency's website, with the contact information of the party that submitted the plans included, as specified.
- Require the local agency to remove a preapproved housing plan from its website within 30 days of receiving a request from the applicant.
- Authorizes a local agency to admit plans developed and approved by the local agency independently of this program into the preapproved program.
- Specify that a local agency is not required to post a plan that is not submitted by an applicant, and authorize a local agency to voluntarily accept plans at higher densities in additional zoning districts at the local agency's discretion.
- Specify that the preapproval program would not apply to residential housing plans intended for use in a master-planned community, a planned unit development, or a similar large-scale subdivision development, as specified.
- Require a local agency to approve or deny an application for a single-family or
  multifamily housing development ministerially and without discretionary review within
  30 days if the lot for which the application is proposed meets the soil conditions,
  topography, flood zone, zoning regulations, and design review standards for which
  the preapproved plan was designed and the applicant uses either of the following:

- Plans preapproved pursuant to the program, as long as they were approved by the local agency within the current triennial California Building Standards Code (CBSC) rulemaking cycle.
- Plans that are identical to a plan that was preapproved pursuant to the bill, as long as they were approved by the local agency within the current CBSC rulemaking cycle.
- Require large jurisdictions to include information in its APR on the number of units of residential housing that are approved using a preapproved housing plan, beginning on April 1, 2027. A small jurisdiction, defined as a county with a population of less than 250,000 or a city with a population of less than 25,000 as of January 1, 2019, would be required to include that information in its APR beginning on April 1, 2029.

**Related Legislation:** AB 253 (Ward), which is currently pending on this Committee's Suspense File, would authorize an applicant for a small-scale residential building permit to retain a "private professional provider" under certain circumstances to perform planchecking functions, as specified. The bill would require cities and counties to include information in their APRs regarding the number of residential permits reviewed by the local agency and private providers, respectively.

AB 670 (Quirk-Silva), which is currently pending on this Committee's Suspense File, includes a provision that would require local agencies to include additional information regarding the demolition and replacement of housing units in their APRs.

AB 726 (Avila Farias), which is currently pending on this Committee's Suspense File, would authorize cities and counties to include the number of units of deed-restricted affordable housing that have been substantially rehabilitated in their APRs.

AB 1131 (Ta), which is currently pending on this Committee's Suspense File, would authorize cities and counties to include the number of units approved for congregate housing for the elderly for up to 15% of their RHNA for any income category in their APRs.

AB 1332 (J. Carrillo), Chap. 759/2023, required local agencies to develop a program for the preapproval of accessory dwelling unit plans by January 1, 2025, as specified.

**Staff Comments:** HCD notes that there are multiple bills pending in the Legislature that would revise the information that local agencies include in their APRs, including this bill, as well as AB 253 (Ward), AB 670 (Quirk-Silva), AB 726 (Avila Farias), and AB 1131 (Ta), all of which would create ongoing staff workload for HCD's Data and Innovation Unit for new data collection and coordination with local agencies, as well as one-time costs to make changes to the APR form and IT systems. HCD estimates that the one-time costs of \$100,000 for APR form updates and IT changes, and ongoing staff workload costs of \$230,000 for 1.0 PY of new staff that have been identified as the fiscal impacts for AB 670 (Quirk-Silva) should be sufficient to accommodate the workload associated with all of these APR-related bills combined, and any additional residual costs would be absorbable. As such, staff notes that the costs directly attributable to this bill would likely only represent a portion of the one-time and ongoing costs reported by the department if all of the APR-related bills are enacted. If this bill is the only bill enacted that impacts HCD's workload, however, staff estimates that HCD would likely incur General Fund costs in the range of \$50,000 to \$100,000 in the first

year, and ongoing administrative costs of up to \$50,000 annually for a partial PY of staff time.

By imposing new duties on cities and counties to establish a program for the preapproval of single-family and multifamily residential housing plans, this bill imposes a state-mandated local program. Staff notes, however, that any local costs mandated by this bill would not be subject to state reimbursement because local agencies have the authority to charge and adjust planning and permitting fees as necessary to cover administrative costs. Existing law authorizes planning and zoning fees to "include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations." Case law and previous decisions by the Commission on State Mandates support the position that local governments' planning costs are not reimbursable when the state imposes new planning mandates.