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## SENATE COMMITTEE ON HOUSING

Senator Aisha Wahab, Chair

2025 - 2026 Regular

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**Bill No:** AB 660

**Hearing Date:** 7/15/2025

**Author:** Wilson

**Version:** 7/3/2025 Amended

**Urgency:** No

**Fiscal:** Yes

**Consultant:** Hank Brady

**SUBJECT:** Planning and Zoning Law: postentitlement phase permits: Housing Accountability Act

**DIGEST:** This bill makes numerous changes to the postentitlement permit review process.

### ANALYSIS:

*Existing law:*

#### *Postentitlement Phase Permit Law*

1) Defines “postentitlement phase permit” as follows:

- a) All nondiscretionary permits required by a local agency after the entitlement process to begin construction of a development that is intended to be at least two-thirds residential, excluding specified planning permits, entitlements, and other permits. These permits include, but are not limited to, all of the following:
  - i) Building permits, and all inter-departmental review required for the issuance of a building permit;
  - ii) Permits for minor or standard off-site improvements;
  - iii) Permits for demolition; and,
  - iv) Permits for minor or standard excavation and grading.
- b) Allows a local agency to identify by ordinance a threshold for determining whether a permit constitutes a “minor” or “standard” permit if supported by written findings; and,
- c) Excludes a permit required and issued by the California Coastal Commission (Commission), a special district, or a utility that is not owned and operated by a local agency, or any other entity that is not a city or county.

- 2) Requires a local agency, defined to include a city or county, to compile one or more lists of information that will be required from any applicant for a postentitlement phase permit.
- 3) Allows the local agency to revise the lists specified in (2), however, any revised list cannot apply to any permit pending review.
- 4) Requires a local agency to also post an example of a complete, approved application and an example of a complete set of postentitlement phase permits for at least five types of housing development projects in the jurisdiction, as specified. Requires the lists and example permits to be posted on the city's or county's website by January 1, 2024.
- 5) Requires a local agency to determine whether an application for a postentitlement phase permit is complete and provide written notice of this determination to the applicant within 15 business days after the local agency received the application, as follows:
  - a) If the local agency determines an application is incomplete, the local agency must provide the applicant with a list of incomplete items and a description of how the application can be made complete, but the local agency can't request new information that wasn't on the original list of required information;
  - b) After receiving a notice that the application is incomplete, an applicant may cure and address the items that are deemed to be incomplete by the local agency. Upon receipt of a corrected application, the local agency must notify the applicant whether the additional application has remedied all incomplete items within 15 business days; and,
  - c) If a local agency does not meet the timelines required for determining an application complete, and the application or resubmitted application states that it is for a postentitlement phase permit.
- 6) Specifies a process for approving postentitlement permits, as follows:
  - a) Requires local agencies to review and either return in writing a full set of comments to the applicant with a comprehensive request for revisions or return the approved permit application, and electronically notify the applicant of its determination within:
    - i) Thirty business days of the application being deemed complete for housing development projects with 25 units or fewer; or,
    - ii) Sixty business days of the application being deemed complete for housing development projects with 26 units or more.

- b) Provides that these time limits do not apply if the local agency makes written findings within the applicable time limit that the proposed postentitlement phase permit might have a specific, adverse impact, as defined, on public health or safety and that additional time is necessary to process the application;
  - c) Tolls the time limits for approval if the local agency requires review of the application by an outside entity, as specified;
  - d) If a local agency finds that a complete application is noncompliant, the local agency must provide the applicant with a list of items that are noncompliant and a description of how the application can be remedied by the applicant within the applicable time limit, as provided, and must allow the applicant to correct the application; and,
  - e) Requires local agencies to establish an appeals process. If an applicant appeals, the local agency must make a final determination within:
    - i) 60 business days of the appeal for a project of 25 units or fewer; or,
    - ii) 90 business days of the appeal for a project of 26 units or more.
- 7) Provides that failure to meet the time limits specified above constitutes a violation of the Housing Accountability Act (HAA).
- 8) Allows extension of any of the time limits specified above upon mutual agreement by the local government and the applicant. However, a local agency cannot require as a condition of submitting the application that the applicant waive the time limits in this bill, with an exception for environmental review associated with the project.

**This bill:**

- 1) Amends the penalty provisions of the HAA to specify that failure to comply with any provision of postentitlement phase permit law constitutes a violation of the HAA.
- 2) Amends postentitlement phase permit law in the following ways:
  - a) Establishes the following parameters regarding a local agency's review of a complete building permit application:
    - i) Provides that a local agency shall not require or request more than two plan check and specification reviews in connection with a complete building permit application unless the local agency makes written

- findings based on substantial evidence that additional review is necessary to address a specific, adverse impact on public health or safety.
- ii) Specifies that a local agency may deny an application that is not compliant after two submittals, and an applicant may request additional submittals of applications that are not compliant with permit standards.
  - iii) Specifies that the limitation on submittals is only applicable to building permits and no other postentitlement phase permits.
- 3) Removes a provision that tolls local agency review timelines while a postentitlement phase permit is subject to review by an outside entity.
  - 4) Prohibits a local agency from requesting or requiring any action or inaction as a result of a building inspection that would represent a deviation from a previously approved plan or similar approval for the project, unless the local agency's requirement or request is accompanied by written findings based on substantial evidence in the record that both of the following apply:
    - a) A reasonable person could not interpret the previously approved plan or similar approval as being compliant with the applicable standards; and,
    - b) The deviation is necessary to address a specific, adverse impact on public health or safety.
  - 5) Reduces the amount of time within which a local agency must provide a final written determination after receipt of an applicant's written appeal, specifically:
    - a) Within 30 business days (instead of 60) of the appeal for a project of 25 units or fewer; or,
    - b) Within 45 business days (instead of 90) of the appeal for a project of 26 units or more.
  - 6) Provides that if an applicant's appeal of a postentitlement phase permit decision is denied, or if a decision on the applicant's appeal is not decided within the required timelines, the applicant may seek a writ of mandate to compel approval of the application.
  - 7) Expands the definition of "postentitlement phase permit" to include plan checking and building inspections associated with a building permit.

## Background

*The Permit Streamlining Act (PSA).* The PSA requires public agencies (both state and local agencies) to act fairly and promptly on applications for development

proposals, including housing developments. 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.

*Postentitlement permits.* A development proposal that is approved and entitled 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. The postentitlement phase of the review process typically involves the review of permits that are objective in nature. Generally, once an agency invests the time and effort to approve and entitle a development proposal, there is an incentive for the agency to process the postentitlement permits in a timely fashion.

In order to expedite this stage of the development approval process, AB 2234 (Robert Rivas, Chapter 651, Statutes of 2022), required local agencies (but not public agencies) to process post entitlement phase permits within 30 days for small housing development projects and 60 days for large housing development projects.

## Comments

- 1) *Author’s Statement.* “While California has taken many steps to address the housing crisis, there is still much work to be done. AB 660 aims to build on AB 2234 by closing gaps in existing law regarding the timelines for local agencies to review applications and act on post-entitlement permits and applications. The post-entitlement process has become a significant cog in the housing process, delaying construction and advancement across the state. AB 660 aims to ensure that our housing projects are approved and built on time, avoiding delays during the plan check process that often derail housing development. This legislation ensures that the standards we put on our local agencies are truly binding by empowering developers to seek legal action when these agency ‘shot clocks’ are violated. AB 660 moves to continue the streamlining of housing production in California, removing unnecessary plan checks and assuring that our local agencies abide by established deadlines.”
- 2) *Timelines for postentitlement permits.* AB 2234 (Rivas, Chapter 651, Statutes of 2022) requires cities and counties to process non-discretionary postentitlement phase permits in an expedited manner. First, the city or county must determine whether an application is complete, and notify the applicant

within 15 days after receiving the application. If the local agency determines an application is incomplete, the local agency must provide the applicant with a list of incomplete items and a description of how the application can be made complete. After receiving a notice that the application was incomplete, an applicant may cure and address the items that are deemed to be incomplete by the local agency. Upon receipt of a corrected application, the local agency must notify the applicant within 15 business days whether the additional application has remedied all incomplete items. If a local agency does not meet the timelines required for determining whether an application is complete, then the application or resubmitted application is deemed complete.

Cities and counties must then review the complete application within 30 days for projects with 25 units or less, and 60 days for projects 26 units or more, to determine if the application is compliant with the postentitlement permit requirements. Local agencies can extend the timeline if they make a finding that issuing the permit within the applicable time limit might have a specific, adverse impact on public health or safety. Finally, local agencies must also establish an appeals process. If an applicant appeals, the local agency must make a final determination within specified timelines.

- 3) *HAA*. In 1982, in response to the housing crisis, which was viewed as threatening the economic, environmental, and social quality of life in California, the Legislature enacted the Housing Accountability Act (HAA), commonly referred to as the Anti-NIMBY Law. The purpose of the HAA is to help ensure that a city does not reject or make infeasible housing development projects that contribute to meeting the housing need determined pursuant to the Housing Element Law without a thorough analysis of the economic, social, and environmental effects of the action and without complying with the HAA. The HAA restricts a city's ability to disapprove, or require density reductions in, certain types of residential projects. The HAA does not preclude a locality from imposing developer fees necessary to provide public services or requiring a housing development project to comply with objective standards, conditions, and policies appropriate to the locality's share of the regional housing needs assessment.

If a locality denies approval or imposes conditions that have a substantial adverse effect on the viability or affordability of a housing development for very low-, low-, or moderate-income households, and the denial or imposition of conditions is subject to a court challenge, the burden is on the local government to show that its decision is consistent with specified written findings.

If a court finds that a locality violated the HAA, a court must issue an order or judgment compelling compliance with the HAA within 60 days, including but not limited to, an order that the locality take action on the housing development project or shelter. The plaintiff shall be entitled to attorney's fees unless the court find that awarding fees would not further the purposes of the HAA. If a locality fails to comply within 60 days, the court shall impose fines, a minimum of \$10,000 per housing unit in the housing development project, which shall be deposited in a local housing trust fund. The court may also approve the housing development project. If the court finds the locality acted in bad faith, in addition to other remedies, the court shall multiply the fine by a factor of five.

- 4) *Clarification needed.* The HAA penalty provisions in existing law that apply to postentitlement phase permit law currently only apply to the time limits in the law. This bill adds additional limitations and requirements on local agencies and updates the cross reference in the HAA to reflect the expansion of requirements in postentitlement phase permit law. However, the expanded HAA penalties in this bill would also cover local agency duties to post information related to postentitlement phase permit law on their internet website. The penalty provisions of the HAA should focus on local agency actions related to approving or denying approvals for housing development projects. The Committee may wish to consider narrowing the scope of this cross reference.

Additionally, the bill removes language from existing law that tolls the shot clock for local agencies when a postentitlement phase permit is subject to review by an "outside entity." This provision was originally intended to capture scenarios where a public agency that is independent of the jurisdiction is tasked with reviewing and approving an aspect of project in the postentitlement phase. Tolling was intended to ensure a local agency is not penalized for violating postentitlement phase permit timelines when an entity outside the control of the local agency is delaying the local agency review of the project. As written, the language in existing law could be misinterpreted to allow a local agency to waive timelines by hiring an "outside entity" such as a private firm to conduct review of a postentitlement phase permit. This bill would delete this provision entirely. While this provision should be narrowed, the Committee may wish to consider narrowing the reference to only allow timelines to be tolled when permits are subject to review by other public agencies, rather than any "outside entity."

- 5) *Opposition.* The League of California Cities is opposed to the bill and argues that the bill creates a one-size-fits-all approach to plan check and permit review. The League additionally expresses concerns about reducing the appeal

timeframe and eliminating the tolling of permit timelines when a permit is with an outside entity for review.

- 6) *Committee Amendments.* The author has agreed to the following amendments to address the issues identified above.
- a) Amend the HAA penalty provisions to exclude reference to the website posting requirements in postentitlement phase permit law.
  - b) Recast the tolling provisions in postentitlement phase permit law but limit it to when a permit is subject to review by another public agency, rather than any “outside entity.”
  - c) Correct an erroneous cross-reference in postentitlement phase permit law.
  - d) Address other minor technical and clarifying issues.
- 7) *Traffic Jam.* This bill is one of two bills that seeks to amend postentitlement phase permit law requirements. AB 301 (Schiavo, 2025) which this Committee heard in June, amends the exact same code section as this bill to apply postentitlement phase permit processing requirements to state agencies. The authors of these bills may wish to consolidate their efforts to avoid duplication and legislative chaptering issues should both bills move to the governor’s desk.

### **Related/Prior Legislation**

**AB 301 (Schiavo, 2025)** — expands postentitlement phase permit processing requirements to state agencies.

**AB 2234 (Rivas, Chapter 651, Statutes of 2022)** — established timeframes for the review of postentitlement permits conducted by local governments.

**FISCAL EFFECT:** Appropriation: No    Fiscal Com.: Yes    Local: Yes

**POSITIONS:** (Communicated to the committee before noon on Wednesday, July 9, 2025.)

### **SUPPORT:**

Abundant Housing LA  
Associated General Contractors, California Chapters  
Bay Area Council  
California Apartment Association  
California Building Industry Association  
California Housing Consortium



California Yimby  
Circulate San Diego  
Housing Action Coalition  
Housing Leadership Council of San Mateo  
Housing Trust Silicon Valley  
Inner City Law Center  
Leadingage California  
Lieutenant Governor Eleni Kounalakis  
Midpen Housing  
South Pasadena Residents for Responsible Growth  
Spur

**OPPOSITION:**

City of Thousand Oaks  
League of California Cities

**-- END --**