SENATE COMMITTEE ON HOUSING
Senator Aisha Wahab, Chair
2025 - 2026 Regular

Bill No:	AB 920	**Hearing Date:**	7/15/25
Author:	Caloza		
Version:	7/7/2025 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Permit Streamlining Act: housing development projects: centralized application portal

DIGEST: This bill requires large cities and counties to make a centralized application portal for housing development applications available on their websites by 2028 or 2030, as specified.

ANALYSIS:

Existing law:

1) Establishes, under the Mitigation Fee Act, specific requirements a city must follow in establishing or imposing development fees and sets forth a process by which a developer may challenge the imposition of a fee.

2) Requires a city, county, or special district (as applicable), pursuant to AB 1483 (Grayson, 2019), to post on its website specified information including: a current schedule of mitigation fees, exactions, and affordability requirements applicable to a housing development project; all zoning ordinances and development standards; the current and five previous annual fee reports or annual financial reports; and an archive of impact fee nexus studies, cost of service studies, or equivalent, as specified. Requires this information to be updated within 30 days of any changes.

3) Pursuant to the Housing Crisis Act of 2019 (SB 330, Skinner, Chapter 654) prohibits a local agency from applying new rules or standards to a project after a preliminary application containing specified information is submitted. The local agency must also make any required determinations on whether a project site is a historic site when a complete preliminary application is filed.

4) Requires local agencies to exhaustively list all information needed to make a development application complete under the Permit Streamlining Act, limits that list to only those items on the checklist for application required by state law, and prohibits the local agency from requiring additional information. The checklist information must also be posted online.

This bill:

1) Requires a city or county with a population of 150,000 or more to, no later than January 1, 2028, make a centralized application portal available on its website to applicants for housing development projects. The population shall be determined based on the population of persons in the unincorporated areas of the county.

2) Authorizes a city or county, notwithstanding (1), to make a centralized application portal available on its website no later than January 1, 2030 if it does both of the following prior to January 1, 2028:

   a) Makes a written finding that it would need to substantially increase permitting fees in order to make a centralized portal available.
   b) Initiates a procurement process to make a centralized portal available on its website.

3) Requires the centralized portal to allow for tracking of the status of an application.

4) Provides that a city or county shall not be required to provide the status of any permit or inspection required by another local agency, a state agency, or a utility provider.

Background

Zoning and land use approvals, generally. Cities and counties enact zoning ordinances to implement their general plans. Zoning determines the type of housing that can be built. In addition, before building new housing, housing developers must obtain one or more permits from local planning departments and must also obtain approval from local planning commissions, city councils, or county board of supervisors. A zoning ordinance may be subject to the California Environmental Quality Act (CEQA) if it will have a significant impact upon the environment. The adoption of accessory dwelling unit (ADU) ordinances, however, are explicitly exempt from CEQA. There are also several statutory

exemptions that provide limited environmental review for projects that are consistent with a previously adopted general plan, community plan, specific plan, or zoning ordinance.

Some housing projects can be permitted by city or county planning staff ministerially, or without further approval from elected officials. Projects reviewed ministerially, or by-right, require only an administrative review designed to ensure they are consistent with existing general plan and zoning rules, as well as meet standards for building quality, health, and safety. Most large housing projects are not allowed ministerial review. Instead, these projects are vetted through both public hearings and administrative review. Most housing projects that require discretionary review and approval are subject to review under the CEQA, while projects permitted ministerially generally are not.

The scale of the proposed development, as well as the existing environmental setting, determine the degree of local review that occurs. For larger developments, the local entitlement process commonly requires multiple discretionary decisions regarding the subdivision of land, environmental review per CEQA, design review, and project review by the local agency's legislative body (city council or county board of supervisors) or planning commission.

Comments

1) *Author's statement*. "A universal lack of permit tracking technologies is one of the root causes of permitting departments' operational challenges. Manual or semi-manual systems simply can't support the current volume of permit applications and do not have the ability to meet future population demands. Current development approval processes are slow, complex, and largely flawed. The process of acquiring a building or land use permit can take weeks, months, or even years and drive up costs for builders, and the issuing departments themselves can inflate home prices, too. In many cases, developers and landowners are not aware of the approvals required for a project (to no fault of their own), and because the end-to-end process involves so many stakeholders, and encompasses so many regulations, bylaws, codes, and policies, getting from permit application to a shovel in the ground is inherently complex."

2) *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.

3) *Nondiscretionary and discretionary postentitlement permits.* The PSA establishes timelines for agencies to determine whether a permit for an entitlement is complete and timelines for approving or denying a development proposal that is deemed complete. Once a development proposal is approved by the local agency, the developer is still required to submit a range of nondiscretionary permits to the local agency for approval in order to actually complete the work to construct the building. These permits can include building permits and other permits for: demolition, grading, excavation, electrical, plumbing, or mechanical work; encroachment in the public right-of-way; roofing; water and sewer connections or septic systems; fire sprinklers; and home occupations.

   The PSA applies to the discretionary approval phase of a development review process; this is the phase where the local agency, in its discretion, decides whether it approves of the concept outlined in the development proposal. Because the local agency is exercising discretion, these approval decisions are subject to CEQA. Once the development proposal is approved by the local agency, the next phase of review involves the ministerial review of objective permits associated with the development proposal that ensure the proposal is compliant with state and local building codes and other measures that protect public health, safety and the environment. The timelines established in the PSA also applies to nondiscretionary permits.

4) *Impact fees.* Local governments can charge a variety of fees to a development. These fees, commonly known as impact fees or mitigation fees, go toward infrastructure development (such as adding lanes to roads or supporting additional traffic) or other public benefits (such as new parks, schools, or affordable housing). In the wake of the passage of Proposition 13 in 1978 and the resulting loss of significant property tax revenue, local governments have also turned to development fees as a means to generate revenue. Given that California cities have tightly restricted funding sources, fees are one of the few ways cities can pay for the indirect costs of growth.

   The Mitigation Fee Act requires local officials, when establishing, increasing, or imposing a fee as a condition of approving a development project, to make a number of determinations including to: identify the purpose of the fee; identify the use of the fee, including the public facilities that the fee will finance; determine a reasonable relationship between the use of the fee and the

development; and determine a reasonable relationship between the public facility's need and the development. Local agencies must also produce an annual report on developer and other fees.

5) *Do impact fees drive up housing construction costs?* Concerned that mitigation fees could be increasing the cost of housing, the Legislature passed AB 879 (Grayson, Chapter 374, Statutes of 2017), which required HCD to complete a study to evaluate the reasonableness of local fees charged to new developments. In August 2019, HCD released the study, performed by UC Berkeley's Terner Center for Housing Innovation (Terner Center).[1] Among other conclusions, the report argued that fees can be a barrier to development and can raise prices of both new and existing homes; however, it also noted that local governments face substantial fiscal constraints and thus have turned to fees as a source of revenue to fund public services for new developments. The report found that fee transparency could be substantially improved.

   According to the study, many jurisdictions do not post their fee schedules or their nexus studies online, making it difficult for developers to estimate project costs, while other jurisdictions have adopted best practices such as offering an estimate of the fees that a project would pay. The study recommended requiring local governments to post fees and nexus studies online, as well as annual reports on fee collections, and requiring jurisdictions to provide fee estimates. In response to this recommendation, the Legislature passed AB 1483 (Grayson, Chapter 662, Statutes of 2019), which required cities and counties to post specified housing-related information on their website and required HCD to establish a workgroup to develop a strategy for state housing data. AB 1483 also requires a city, county, or special district that has an internet website to post on their websites the following information, as applicable:

   a) A current schedule of mitigation fees, exactions, and affordability requirements imposed by the city, county, or special district, including any dependent special districts of the city or county, applicable to a housing development project, in a manner that clearly identifies the fees that apply to each parcel.
   b) All zoning ordinances and development standards, including which standards apply to each parcel.
   c) A list that cities and counties must develop under existing law of projects located within military use airspace or low-level flight path.

[1] Hayley Raetz, David Garcia, and Nathaniel Decker. *Residential Impact Fees in California* (Terner Center for Housing Innovation, UC Berkely, August 2019). https://ternercenter.berkeley.edu/wp-content/uploads/pdfs/Residential_Impact_Fees_in_California_August_2019.pdf

d) The current and five previous annual fee reports or the current and five previous annual financial reports that local agencies must compile pursuant to existing law.
e) An archive of impact fee nexus studies, cost of service studies, or the equivalent, conducted by the city, county, or special district on or after January 1, 2018.

A city, county, or special district must update this information on their website within 30 days of any change. The measure also required cities and counties to request the total amount of fees and exactions associated with the project from a developer after construction, but the developer does not have to respond. The city or county must post this information on its internet website, and update it at least twice per year.

6) *More transparency = more certainty.* Building on AB 1483, AB 3012 (Grayson, 2024) sought to create additional public transparency around fees by requiring local governments to create a fee estimate tool on their websites that can be used to calculate an estimate of the fees and exactions for a proposed housing development project. In addition, AB 1820 (Schiavo, 2024) requires local governments to provide developers with more information on fees and exactions at various stages of the housing development approval process.

This bill seeks to further build on transparency efforts by requiring large cities and counties to make a centralized permit portal available on their websites for housing development applications. Although this bill excludes permits from utilities or other jurisdictions, it aims to centralize as much information as feasible in one place. In addition, this bill requires the portal to allow for tracking of each application.

The committee is unaware of how many cities and counties, if any, have not yet established an online permit portal. This bill would require any city or county with a population greater than 150,000 (eight counties and 37 cities) to create a portal by 2028 if they have not already done so. A city or county that has made a written finding that creating a portal would force them to substantially increase permitting fees, and has initiated a procurement process for a portal, has until 2030 to establish a portal. The author and sponsor state that centralized online portals will increase transparency and improve the efficiency of housing project approvals.

7) *Incoming!* This bill passed out of Local Government Committee on July 2, 2025 on a 7-0 vote.

Related/Prior Legislation

AB 1820 (Schiavo, Chapter 358, Statutes of 2024) – requires local agencies to provide developers with more information on fees and exactions at various stages of the housing development approval process.

AB 3012 (Grayson, Chapter 752, Statutes of 2024) – requires local governments to create a fee estimate tool the public can use to calculate an estimate of fees and exactions for a proposed housing development project and make the tool available on its internet website. Requires HCD, on or before July 1, 2028, to create a fee schedule template for proposed housing development projects that local governments may use, and a list of best practices for presenting information related to fees and exactions.

AB 1483 (Grayson, Chapter 662, Statutes of 2019) – required local jurisdictions to disseminate publicly information about its zoning ordinances, development standards, fees, exactions, and affordability requirements, and requires HCD to develop and update a 10-year housing data strategy.

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 (Sponsor)
California Apartment Association
California Housing Consortium
California YIMBY
Circulate San Diego
Fieldstead and Company, Inc.
Habitat for Humanity California
Inner City Law Center
Institute for Responsive Government Action
Leadingage California
Lieutenant Governor Eleni Kounalakis
South Pasadena Residents for Responsible Growth
Spur
The Two Hundred

OPPOSITION:

None received

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