

HOUSING SUPPLY SOLUTIONS FOR CITY LEADERS
LAND USE AND REGULATIONS

Streamlining the Permitting Process

The acute housing supply shortage of almost 4 million units in the United States demands urgent action. Barriers to increasing housing supply exist across multiple sectors, including finance, construction, land use and regulations, infrastructure and workforce. In this series of fact sheets, NLC offers context, solutions and case studies for city leaders seeking to address these barriers and create more housing more efficiently and at lower costs. This Housing Supply Accelerator Fact Sheet series explores solutions in three critical areas: construction and development; land use and regulations; and finance.

Key Takeaways

- ◆ By streamlining local permitting processes, cities can significantly decrease housing development costs and timelines.
- ◆ Streamlined permitting can act as an economic development tool by attracting investment and stimulating the construction sector.
- ◆ With streamlined permitting, cities can create a more favorable environment for development and potentially spur an expanded supply of housing over time.

Background

The permitting process can be a significant barrier to the development of needed housing. Permitting offices are usually responsible for many levels of review and approval for development projects, such as building permits and approvals for rezoning and land-use amendments. Adding to the challenges, various other offices and departments are typically involved in the development approval process. The array of offices and reviews involved can make the permitting process slow and cumbersome for developers, the city and residents.

To help address these challenges, some cities are setting out to streamline local permitting processes. Streamlined permitting helps reduce the time and cost associated with obtaining development approvals by identifying and eliminating inefficiencies in the regulatory process.

Streamlined permitting processes can include a range of strategies, including comprehensive reviews, stakeholder input, one-stop shops, pre-application meetings, concurrent reviews and more. By encouraging development, reducing delays and clarifying requirements, streamlined permitting fosters increased predictability in the development process, making it easier to plan and invest in attainable housing.

The Benefits for Cities and Their Residents

Lower Costs for Housing.

Lengthy approval processes are tied to increased costs for developers, higher overall project costs, and slower housing production. A study in the state of Washington shows that each additional month spent on the permitting process can [increase the cost of building by about 1%](#). In addition, in high-cost markets such as New York City, a two-year delay for a mid-rise development can [increase the per-unit cost by approximately \\$50,000](#). These added costs often make projects financially infeasible or result in increased housing prices.

Economic Development Gains.

Streamlined permitting can also act as an [economic development tool](#). By reducing delays and uncertainty, cities can attract more investment and stimulate entrepreneurship in the construction sector, which can ultimately lead to the creation of more jobs and an increased tax base. Efficient permitting processes make a city more competitive for development projects.

More Housing Supply Over Time.

While streamlining the permitting process may not result in an immediate increase in housing supply, [improvements to the regulatory process may make cities more attractive](#) for developers, thus increasing the housing supply over the long term. By addressing the inefficiencies in their permitting processes, cities can create a more favorable environment for development, leading to a greater supply of housing and potentially more affordable options in the long run.



Did You Know?

On average, most of the time it takes to develop new housing is the result of the planning process, [which takes 3 to 4 months longer](#) than construction on average. Longer permitting times directly translate to delayed availability of much-needed housing.

One commonly suggested method of streamlining permitting is the “[one-stop shop](#).” This strategy brings together representatives from all departments involved in the permitting process to a single location or a single online platform. “One-stop shops” make permitting easier and faster for clients to get answers they need and for staff to work together to resolve problems.

Some cities are creating special provisions to [expedite the review of projects that are achieving specific development goals](#), including projects that include dedicated affordable housing. These procedures include assigning dedicated staff members to each project, moving qualifying applications to the top of the review list, and guaranteeing permitting decisions within a set number of days.

Case Studies

Redwood City, California (Population: 84,292)

Redwood City offers a [“one-stop” plan review service](#) for residential and commercial projects. This program allows for same-day feedback and approvals for development projects to streamline the permitting process. In-person appointments are available from 1 p.m. to 3 p.m. Monday through Thursday at City Hall. Eligible projects must submit their permit application and upload their plans electronically before their appointment.

This service is limited to projects such as commercial tenant improvements, residential interior remodeling, single-story additions less than 400 square feet and signs. More complex projects such as larger additions, affordable dwelling units (ADUs) and projects exceeding the valuation threshold are not eligible for this program. For any eligible additions and alterations, applicants require an architectural permit before scheduling a “one-stop” appointment. In addition, the city offers an “over-the-counter” plan review service during the same weekday time window for general building permit questions.



St. Petersburg, Florida (Population: 258,308)

To streamline its building permitting process, the City of St. Petersburg implemented [an E-Plan Review Submittal Process](#). Starting in November 2023, all requests for electronic plan review could be submitted through an online portal on the city’s website. These requests no longer require pre-screening by city staff through email, and applicants will immediately receive an application number. Applicants have 10 business days to complete and upload any comments and responses based on the review of the initial submission and to correct the permit application and electronic submittal.

In addition, the city offers an expedited building plan review and permitting procedure for its Multi-Family Affordable Housing Program. The application must include complete construction drawings, specifications and permit applications. These plans are reviewed by the city in 10 days. If applicants must resubmit their applications to make edits, the review takes another five days. If a permit is not approved after a second review cycle, the applicant and city review staff meet to discuss next steps.

Next Steps for Your City

To effectively streamline development approvals and boost housing production, cities can take a multifaceted approach targeting specific aspects of the development process. Consider the following steps for your city:

1. Conduct a comprehensive review of existing permitting processes.

Identify redundancies, areas of inefficiency and bottlenecks in the current permitting process by mapping out the existing workflow.

2. Engage stakeholders.

Hold workshops and meetings with developers, builders and community members to gather feedback on current processes and requirements and explore solutions.

3. Standardize requirements and checklists.

Develop clear and concise guidelines for different project types to mitigate any errors and ambiguity in the permitting process.

4. Establish clear timelines and performance metrics.

Set measurable goals for permit processing times and track progress to identify areas that still need improvement.guidelines.

5. Consider and explore implementing concurrent reviews.

Allow different aspects of a project, such as zoning and environmental issues, to be reviewed simultaneously when applicable.

6. Regularly evaluate and update processes.

Permitting processes should be living documents that can be periodically reviewed and updated based on the city's goals and input from developers, builders and residents.

Permitting directly affects housing supply and production. Thoughtful plans to modernize permitting can help cities reach their housing goals and alleviate housing stress for residents.

