

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: December 14, 2023

PREPARED BY: Rosie Lua, Deputy Director of Development Services

REQUEST: ADOPT A RESOLUTION EXTENDING THE CITY'S DEADLINE TO ESTABLISH AN ONLINE PERMITTING SYSTEM FOR POST-ENTITLEMENT PHASE PERMITS UNDER CALIFORNIA GOVERNMENT CODE SECTION 65913.3.5 (AB 2234)

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## **RECOMMENDATION:**

Adopt a resolution entitled, "EXTENDING THE DEADLINE TO ESTABLISH AN ONLINE PERMITTING SYSTEM FOR POST-ENTITLEMENT PHASE PERMITS UNDER CALIFORNIA GOVERNMENT CODE SECTION 65913.3.5 (AB 2234)."

## **BACKGROUND/ANALYSIS:**

California Assembly Bill 2234 ("AB 2234") took effect on January 1, 2023. AB 2234 added sections 65913.3 and 65913.3.5 to the Government Code and, most notably, extends elements similar to those of the Permit Streamlining Act to a local agency's review of ministerial "post-entitlement phase permit" applications for housing development project.

Under AB 2234, post-entitlement phase permits are all nondiscretionary permits and reviews filed after the entitlement process has been completed that are required or issued by the local agency to begin construction of a development that will be at least two-thirds residential. Examples of post-entitlement phase permits include, but are not limited to: (i) building permits; (ii) permits of minor or standard off-site improvements; (iii) permits for demolition; or (iv) permits for minor or standard excavation and grading.

AB 2234 imposes numerous requirements on a local agency's review and processing of a post-entitlement phase permit application, including: (1) posting application checklists and examples online; (2) time limits to determine whether an application is complete; (3) time limits to approve or deny an application; (4) providing an applicant with the right to appeal the local agency's decision; and (5) implementing an online permitting system.

This item before the City Council this evening concerns item (5) above, AB 2234's online permitting system requirement.

## **DISCUSSION:**

Among other things, AB 2234 requires local agencies that are located in counties with a population of 250,000 or greater to implement an online permitting system that allows applicants to apply for, check the status of, complete and retrieve post-entitlement phase permits. Local agencies in counties with a population of less than 250,000 are exempt from this online permitting system requirement.

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(Extending the Deadline to Establish an Online Permitting System under State Law (AB 2234))

For local agencies in counties with a population of 250,000 or greater, the deadline to comply with AB 2234's online permitting system requirement is: (i) January 1, 2024 if the local agency has a population of 75,000 or greater or is located in a county with a population of 1.1 million or greater; or (ii) January 1, 2028 for all local agencies not covered by (1). The City of Palm Desert is subject to the January 1, 2024 deadline because the city is located within a county with a population greater than 1.1 million.

AB 2234 authorizes any local agency subject to the January 1, 2024 deadline to give itself an extension of up to two years (i.e., to January 1, 2026) if its legislative body does both of the following before January 1, 2024: (1) makes a written finding that adopting an online permitting system by January 1, 2024, would require substantial increases in permitting fees; and (2) has initiated a procurement process for the purpose of complying with the online permitting system requirement.

Implementing an online permitting system by the January 1, 2024 deadline would present several financial and logistical burdens for the City that, in turn, would require a substantial increase in permitting fees. The city is already transitioning from TRAKit, a Central Square permitting software to a new software system compliant with AB 2234. On November 16, 2023, the City Council awarded a contract to purchase and implement Clariti Permitting and Land Management System. The implementation of the new permitting software will not occur by January 1, 2024, therefore, an extension is requested to allow staff to implement the new software system by January 1, 2026.

The resolution attached as Attachment 1 makes the requisite findings and, if adopted by the City Council, will extend the City's deadline to comply with AB 2234's online permitting system requirement to January 1, 2026. As required by AB 2234, the resolution also includes directions to staff to procure and implement the new software system necessary to comply with this requirement. This process will be conducted in accordance with state law.

For the reasons provided above, staff recommends that the City Council adopt the attached resolution.

**Legal Review:**

This report has been reviewed by the City Attorney's office.

**Environment Review:**

In accordance with the California Environmental Quality Act ("CEQA") Guidelines, adopting the resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**FINANCIAL IMPACT:**

There is no fiscal impact associated with this action.

**ATTACHMENT:**

1. Draft Resolution