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## POLICY SPOTLIGHT

# Streamline Housing Permits in Maryland

Nine policy recommendations to accelerate project timelines and reduce costs

SALIM FURTH AND TOM COALE | JULY 2025

**M**aryland has ambitious goals of creating new housing, yet its permitting process causes a morass of delays and waste. A 2021 study commissioned by Maryland’s Department of Housing and Community Development (DHCD) found a shortage of 85,000 affordable apartments for families and individuals earning less than 30 percent of the median income.<sup>1</sup> But most developers experience a three-to-four-year delay between securing land and receiving use and occupancy permits. Delays increase costs of interest payments, property taxes, insurance, utilities, business operation overhead, and financing to compensate investors.

**To meet the growing demand for housing and to contain housing prices, Maryland must revise how it processes permits for new housing at the state and local levels.** The state’s regulatory patchwork of local, state, and federal mandates slows and decreases new housing and drives up prices with its duplications, bottlenecks, and veto points.

To understand the slowdowns in Maryland’s permitting process, we interviewed a range of government officials, land-use lawyers, consultants, and developers, each of whom contributed a detailed perspective on the land-entitlement process. Based on their input, we identified three areas for improvement, with nine recommendations across these three categories for streamlining the permitting process:

### 1. Redirect public participation from projects to planning

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<sup>1</sup> See Salim Furth and Tom Coale, “How to Streamline Housing Permitting in Maryland” (Mercatus Policy Brief, Mercatus Center at George Mason University, November 1, 2024). Scan the QR code below for the full analysis, including sources.



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- **Remove public meetings requirements for by-right developments.** Local and state governments should remove meeting requirements for by-right and special exception applications, requiring only public notice. This will reduce delays for rule-compliant projects.
- **Narrow the eligibility for appeals.** Revise the administrative appeals statute to limit aggrievement to include objective injuries not addressed by permits. The legislature could go even further and require appellants to post a bond for administrative appeals that prevent a developer from proceeding with the project while the appeal is pending.

## 2. Implement process improvements

- **Codify early vesting for development entitlements.** Adopt an early-vesting statute to protect entitlements after significant approvals and developer investment.
- **Support third-party reviews by licensed engineers.** Allow applicants in all counties to hire a licensed engineer.
- **Standardize environmental waivers laws.** Codify a uniform waiver standard that applies to state and local environmental regulations, allowing flexibility when strict compliance would reduce housing.
- **Use gross density in land use calculations.** Require counties that regulate density to include the entire development site in the density calculation instead of penalizing developers for setting aside conservation land.
- **Allow fast-track permitting for “qualified projects.”** Counties should offer expediated permitting with 90-day timelines for processing permits and administrative approvals for projects that qualify as affordable housing under the Housing Expansion and Affordability Act.
- **Adopt preapproved standardized housing plans.** Counties should offer smaller builders preapproved residential plans that meet local requirements.

## 3. Target growth

- **Create state housing targets.** Maryland should follow other states in setting local housing targets to help county and city officials justify the sometimes-difficult political decisions necessary to unlock homebuilding.

Streamlining the permitting process will accelerate project timelines and reduce costs, helping the state to meet its housing needs more efficiently.