

MOTION BY SUPERVISORS KATHRYN BARGER
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**STREAMLINING AND EXPEDITING THE COUNTY’S PERMITTING AND
DEVELOPMENT PROCESSES TO SUPPORT SMALL BUSINESSES AND THE
DEVELOPMENT OF NEW HOUSING**

According to the Los Angeles County Economic Development Commission (LAEDC), of the 772,400 non-farm jobs lost in March and April of 2020 at the beginning of the COVID-19 pandemic, only 258,300 were added from May 2020 to March 2021. Only 33.4 percent of those jobs initially lost have returned, highlighting the permanent losses that it is our imperative to regain. As the broader economy re-opens and moves to regain full employment, it is important to identify additional strategies to help small businesses that want to relocate, open, or expand in Los Angeles County.

In the 2016-2020 *Los Angeles County Strategic Plan for Economic Development*, Goal 4 identified “be more business friendly” as one of the key ways for our County to support economic development. This report identifies several objectives to work towards, including cutting red tape, providing timely and easy-to-follow permit, entitlement, and online business license approval processing, 24/7 online project status tracking, and parallel processing of permits, among other objectives.

Small businesses continue to face regulatory hurdles in applying for permits across various County departments. These permits may still be paper based, mailed or delivered to the County in person, and include a ‘wet’ signature rather than a digital signature. The time and money needed to navigate these hurdles is extensive for new small businesses, and the County should assist in reducing these barriers to opening new small businesses.

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The time and cost savings for small businesses that are less capitalized could provide an equitable recovery for new women-owned businesses and businesses owned by people of color. Additionally, these adjustments would reduce paperwork for efficiency and environmental purposes.

For the past twenty years, Los Angeles County has been a leader in developing an enterprise solution for the entitlement and permitting process. Beginning in 2002, the County has looked to build technological solutions to the varied and complex development processes it oversees. Those efforts led to Regional Planning replacing its then-existing system with EPIC-LA, an off-the-shelf software solution. EPIC-LA went live in November 2015, with the expectation that the system would be expanded to include Public Works.

Prior to including Public Works in EPIC-LA, the Board contracted with Gartner Consulting to conduct a thorough assessment of the software and whether it could meet the County's needs for a single portal for land development and permitting (Gartner Study). The Gartner Study confirmed that expansion of EPIC-LA to other departments was appropriate and that EPIC-LA would meet the enterprise needs of the County.

The County has made strides in realizing the value of EPIC-LA since 2015. To date, EPIC-LA is used for most types of land development, entitlement and permitting functions in Regional Planning and Public Works. EPIC-LA has been expanded to include Parks and Recreation for Quimby Act fees, the Los Angeles County Development Authority for affordable housing coordination and the Fire Department's permits for land development and building construction. EPIC-LA is will also be expanded to incorporate business license requirements for the Treasurer/Tax Collector.

The Gartner Study recommendations have likewise been implemented to a large degree. An EPIC-LA Governance Committee meets as needed to discuss technical issues and propose solutions that may affect multiple departments, and the Governance Committee reports to the Board annually on overall progress.

As twenty years have passed since the County's initial efforts, it is appropriate to implement a key Gartner Study recommendation for quality assurance and risk assessments. The primary land development departments of Regional Planning and Public Works should be independently evaluated to ensure they are fully utilizing EPIC-LA from a technical and business management perspective. It is also appropriate to convene other departments that play a role in the development process and revisit their business processes for permitting to identify areas of improvement, including expansion and integration of online services. These other departments include Public Health, Fire, Treasurer/Tax Collector, and Parks and Recreation.

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Further, the County continually seeks to increase access to services, while enhancing service delivery efficiencies. The County should treat development as a single business model like it approaches other Countywide issues. The County derives both direct and indirect benefits from the individual homeowners, business owners, and developers who want to invest in the County through development.

The outcomes of the land development and permitting process include new or expanded housing opportunities and new or relocated businesses, all of which lead to increased property and sales tax revenues. Additionally, the County receives indirect benefits from development in the form of community improvements such as new or improved parks, multi-use trails and open space, and upgrades to public infrastructure such as streets, parkway trees, sidewalks, and other enhancements.

In addition, as the County faces an epidemic of homelessness, with projected data showing significant increases in persons experiencing homelessness, along with a general housing affordability crisis that is driving lower and middle income families out of the County, streamlining processes is critical to reducing the financial and regulatory barriers that have contributed to the rising cost of and time to build new housing.

A review of the existing land development permitting process should also identify existing bottlenecks in the permitting process as an applicant navigates between and amongst various County departments, and identify areas of improvement in technical, operational, and cultural aspects of the process.

WE, THEREFORE, MOVE that the Board of Supervisors instruct the Executive Office of the Board and the Department of Human Resources to develop a Strategic Priority and require annual MAPP priorities for all Departments involved in the permitting process, with Regional Planning and Public Works as the primary departments, and the other departments being Public Health, Fire, Treasurer/Tax Collector, and Parks and Recreation to support the concept of development being a single business model across Departments.

WE, FURTHER MOVE that the Board direct the Department of Regional Planning, in consultation with the Department of Public Works and any other relevant stakeholder Departments involved in the permitting process to:

- 1) Collaborate with the existing EPIC-LA Governance Committee to direct implementation of business process/workflow and technology architecture recommendations, with consideration of a public facing “decision engine” portal for all EPIC-LA Departments to streamline and improves processes;

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- 2) Direct the EPIC-LA Governance Committee to start a multi-Department dedicated operational/technical team to implement, support and maintain system enhancements, enterprise integrations, legacy system conversions and all similar technical functions. This team would have operational responsibility for the current system, plan, implement and support systems enhancements based on process/workflow and technology architecture recommendations.

WE, FURTHER MOVE that the Board instruct the Chief Executive Officer to allocate funding to the Department of Regional Planning to engage a consultant via an appropriate contracting vehicle, to be managed by an executive team comprised of the Chief Information Office, Regional Planning, and Public Works, in conjunction with the EPIC-LA Governance Committee, to update the 2015 Gartner Study to provide technical and business recommendations to improve EPIC-LA and the entire land development and permitting process for the next decade. The following topics need to be addressed, at a minimum, in an updated Development Process Strategic Plan:

- 1) Recommendations to enhance the technical, operational, and business culture components of the land development permitting process:
 - a. **Technical** – recommend customer-centric improvements, such as electronic document submission, issuance of ministerial permits and tracking permits and re-submittals; integration of processing across interdependent services; and, improved integration of Geographic Information System (GIS) technology within the umbrella of EPIC-LA;
 - b. **Internal operational** - conduct existing process/workflow analysis, identify overlapping or conflicting functions, and make recommendations to consolidate like-functions while respecting underlying code authority and internal expertise to achieve efficiencies for the customer; as well as recommend standard metrics and performance measures for certain permit types and create optimal process/workflows;
 - c. **Business process and culture** - make recommendations to improve adoption and integration of recommendations for all Departments;

- 2) Review the role of the One-Stop Customer Service Centers located throughout the County to enhance service and efficiencies, including recommendations for adequacy of technology, expansion of additional locations, and staffing models for all involved departments; and

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WE, FURTHER MOVE that the Board instruct the Chief Executive Officer to review funding opportunities to offset the cost of the operations, maintenance, and enhancements to EPIC-LA, including necessary staffing resources, during the annual budget process.

WE, FURTHER MOVE that the Board direct the Departments of Regional Planning and Public Works to report back on these directives in 120 days, with input provided by all EPIC-LA departments, as well as the Chief Information Office and Chief Executive's Office, with subsequent reports to be provided in conjunction with the EPIC-LA Governance Committee annual report.

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