

**REVISED MOTION BY SUPERVISORS HOLLY J. MITCHELL  
AND HILDA L. SOLIS**

July 11, 2023

**Expediting Critical Community Benefits for Local Residents by Streamlining the Permitting Process for Small, Community-Serving Projects**

Los Angeles County (County) and California at large are experiencing an affordable housing and homeless crisis exacerbated by decades of underdevelopment -- and thus, the County has rightfully prioritized affordable housing development in most of its past efforts to streamline permitting processes. However, social enterprises, small businesses and community serving organizations spend precious time and capital navigating the County's permitting process. As a result, processes need to be reformed to serve these specific entities. By streamlining access to permitting and development for small enterprises, the County can help prevent displacement in vulnerable communities, provide critical services to community members, and build wealth for working families.

The County is bound by the Permit Streamlining Act, which was enacted in 1977 to expedite the processing of permits for development projects. The Permit Streamlining Act achieves this goal by (1) setting forth various time limits within which state and local government agencies must either approve or disapprove permits and (2) providing that these time limits may be extended once by agreement between the parties. However, the Permit Streamlining Act does not apply to legislative land use decisions or to ministerial permits.

Local governments controlling the land use, entitlement, and permitting processes can work to streamline these processes to best serve constituents. When organized

-More-

**MOTION**

SOLIS

\_\_\_\_\_

MITCHELL

\_\_\_\_\_

HORVATH

\_\_\_\_\_

BARGER

\_\_\_\_\_

HAHN

\_\_\_\_\_

appropriately, governments can offer faster approvals as an incentive to develop projects that meet desirable goals such as promoting green jobs, small business development, anti-displacement, and housing affordability. The city of San Diego, for example, expedites permitting for projects meeting specified standards of sustainability or affordability. The program also allows certain deviations from standard regulations. Developers do pay additional fees to participate in the program; however, the city waives those extra fees for projects that are 100 percent affordable. In addition to the fees, developers participating in the program must be prepared for several reviews and applications upfront.<sup>1</sup>

Moreover, communities such as Denver, Colorado; Leesburg, Virginia; and Goodyear, Arizona, have set up one-stop administration of permitting to consolidate and streamline processes to the benefit of developers and small, diverse businesses. Closer to home, the City of South Gate has a single, streamlined Land Use Entitlement application to cover development permit needs with a commitment of staff review within 30 days of all application submissions.<sup>2</sup> The County has taken great strides in establishing pre-application counseling for applicants who will require a Conditional Use Permit or other discretionary approval, and for affordable housing developments and subdivision projects that will create two or more units or lots. The counseling meetings often involve County Regional Planning, Public Works, Fire and Public Health.

In support of this work, on June 6, 2023, the Board unanimously passed the motion titled, “Expanding Epic-LA to Streamline County Permitting and Entitlement Processes to Address the Regional Housing Crisis,” to expand the County’s Electronic Permitting and Inspections system, known as (EPIC-LA), and to streamline the County permitting and entitlement process across departments interacting with the business community. This work will address software needs to develop an enhanced customer-centric service model to support development as a single line of business.

---

<sup>1</sup> City of San Diego Development Services Department. 2018. “[Expedite Program for Affordable, In-Fill Housing & Sustainable Buildings](#),” Information Bulletin 538, May.

<sup>2</sup> See [https://www.cityofsouthgate.org/files/sharedassets/public/business-amp-development/land-use-entitlement-application\\_main.pdf](https://www.cityofsouthgate.org/files/sharedassets/public/business-amp-development/land-use-entitlement-application_main.pdf).

Currently, according to the UCLA Lewis Center for Regional Policy Studies, even after the entitlement process, the construction process itself in the County takes 1-3 years. In totality, many projects can take upwards of 5-7 years from conception to completion. These long timelines have significant consequences on project viability, particularly for mission-driven entities that operate on thin margins. Delays in both entitlement and construction increase the “carrying costs” on projects. The longer that it takes to get a certificate of occupancy, the greater the cost to applicants as taxes, site maintenance, and any potential financing costs accrue. Applicants have reported lengthy delays at multiple points in the permitting and construction process. Anecdotally, some applicants are left waiting weeks for inspections. Further, different inspectors sign off on different elements of the project, each with different interpretations of the County code.

Given the Board’s demonstrated commitment to equitable service delivery, equity in contracting, and to creating a no-wrong-door approach to serving our small, community serving businesses, providing technical assistance and capacity building programs for non-profits and small, mission-driven businesses, and our established preference programs for small businesses and social enterprises, the Board recognizes the importance of the County working proactively to improve the development process for businesses and small employers that provide a benefit to the community and are in good standing with the County and the local community . Streamlining the process should be undertaken to ensure that our residents can realize the direct benefits of equitable economic development projects.

**WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

1. Find that the directives herein do not constitute a project under the California Environmental Quality Act (CEQA) because they authorize activities that are excluded from the definition of a project by section 21065 of the California Public Resources Code and section 15378(b) of the State CEQA Guidelines. The activities included herein are organizational or administrative activity of government which will not result in direct or indirect physical changes to the environment.

2. Direct the Director of the Department of Public Works (DPW), in consultation with the Directors of the Department of Regional Planning (DRP), Department of Public Health (DPH), Department of Economic Opportunity (DEO), Chief Sustainability Office (CSO) the Fire Department, and County Counsel, in consultation with the EPIC-LA Governance workgroup to, within 120 days, develop and launch a Community-Serving Economic Opportunity Program aligned with the Anti-Racism Diversity and Inclusion (ARDI) Initiative Strategic Plan and the use of ARDI tools to identify outcome and impact metrics rooted in equity (i.e. demographic information of enterprises applying for permits, location and type of project, timeline to completion with and without technical assistance), to deliver a single point of entry for small business applicants seeking permits, ~~where the permitted project will deliver a defined community benefit, including;~~ DEO shall administer an approval process for applicants seeking streamlining benefits under the Community Serving Economic Opportunity Program. Qualifying businesses shall, at minimum, deliver a defined community benefit to local residents, including;
  - a. Create climate resilient jobs leading to a reduction in greenhouse gas emissions;
  - b. Create opportunities for wealth building through small business ownership and development while prioritizing community benefits for historically marginalized communities;
  - c. Prioritize projects and opportunity to enhance and improve environmental quality in communities disadvantaged by persistent pollution and health risk challenges according to SB 535 CalEnviroScreen Data; and
  - d. Prioritize projects for individuals in highest need census tracts according to the COVID-19 Vulnerability and Recovery Index; and
  - e. Allow for employee-ownership of shared business ownership models.
3. Direct the Director of DPW, in consultation with DRP, DPH, Fire, DEO, and County Counsel to explore opportunities to develop required timelines under the Community-Serving Economic Opportunity Program, in consultation with ARDI and aligned with their Strategic Plan, for processing both entitlements and issuing

permits at all points of construction in order to more expeditiously open projects with a defined benefit to the community, and report to the Board orally and in writing in 180 days with recommendations on timelines and process improvements, potential ordinance changes, and opportunities for additional funding. In developing recommendations, the exploration should include a review of best practices from other jurisdictions, consultation with stakeholders, end users of the County's permitting process, public utilities, and labor partners.

4. Direct the Director of DPW, in consultation with the Directors of DRP, DPH, DEO, CSO, Fire, and County Counsel, to report back orally and in writing in 180 days with recommendations around whether the County can provide a technical assistance program to small, community-serving businesses with an equity-based framework for service prioritization to help submit and expedite entitlements and permitting packages and how to implement such a program including a plan to identify funding for such a program. The recommendations should be made in alignment with the ARDI Strategic Plan and the use of ARDI's equity tools to ensure that service delivery is rooted in equity.

# # #

(CT)