

SUBJECT: **STREAMLINING BUSINESS PERMITTING AND SIGNAGE
REGULATIONS**

INITIATED BY: **COUNCILMEMBER JOHN M. ERICKSON
COUNCILMEMBER DANNY HANG**

STATEMENT ON THE SUBJECT:

The City Council will consider directing staff to review the City's existing business permitting process to identify ways to make it more efficient and responsive. The review would include evaluating current tenant improvement processes and signage regulations to ensure the approval process is streamlined and expeditious, while upholding safety and design standards.

RECOMMENDATIONS:

- 1) Direct staff to conduct a review of the City's business permitting process and identify opportunities to streamline and expedite approvals, including tenant improvement processes and business signage regulations, and to evaluate potential updates to the City's sign ordinance to ensure they align with current business needs and City standards.
- 2) Direct staff to return to the City Council during FY27 with recommendations to streamline and modernize the City's business permitting process, including proposed updates to the sign ordinance, to help support and encourage businesses opening in West Hollywood.

BACKGROUND / ANALYSIS:

The City of West Hollywood has long supported a vibrant and diverse business community that contributes to the City's local economy and cultural identity. However, feedback from business owners and applicants has indicated that the process for obtaining business permits, including tenant improvements and signage approvals, can be time-consuming and, at times, confusing, sometimes causing expensive delays.

The City's permitting process involves multiple departments and regulatory reviews to ensure that new and existing businesses comply with zoning, building, health, and safety standards. While this comprehensive approach upholds community values and design standards, it may also create delays for applicants seeking to open or modify their businesses.

To address similar concerns, the City's Community Development Department has already undertaken a series of Permitting Enhancement Initiatives designed to improve efficiency and customer service within the permitting process. These initiatives include:

- **Permit Navigator Pilot Program**, which provides one-on-one support and coordination for commercial tenant improvement projects;
- **Over-the-Counter Plan Review**, offering same-day approval for qualifying low-impact projects;
- **Guaranteed Second Opinion and Resolution Process**, allowing applicants to seek clarification or review when there is disagreement on code interpretation;
- **Administrative Permit Process Improvements**, which include specific timelines for staff contact and communication — for example, planner contact within five business days of application submittal and a letter identifying incomplete items or inconsistencies within 15 business days; and
- **Permitting Process Workshops**, which guide applicants through the City's permitting procedures and online portal, and promote transparency and accessibility.

These efforts demonstrate the City's commitment to continuous improvement in streamlining the permitting experience. Building upon this foundation, if this item is approved, staff will evaluate whether further enhancements can be made to expedite business openings, particularly for small businesses and tenant improvements that are key to West Hollywood's economic vitality.

As part of this review, staff will collect data on the current permit processing times for commercial tenant improvements. This data will be tracked to evaluate solutions for where the process could be streamlined or improved. This information can be integrated into quarterly reporting on major development projects. This is consistent with previous

direction provided by the City Council as it relates to streamlining entitlement and development permits.

Additionally, as part of this review, staff will examine the City's signage requirements, which play a key role in preserving West Hollywood's unique visual character. Many of these regulations were developed years ago and may benefit from modernization to reflect contemporary design practices, technology, and accessibility standards. Staff will evaluate whether certain signage approvals can be streamlined through administrative processes or integrated into existing permitting enhancement initiatives, such as Over-the-Counter Plan Review. This review will also include evaluating opportunities to clarify what constitutes a "creative sign" for commercial use, exploring criteria for administrative approval of artistic or creative commercial signs that meet predefined standards to reduce processing time for applicants, and identifying ways to better align design review timelines within the broader business permitting process.

Staff will engage with the business community, the West Hollywood Chamber of Commerce, and other stakeholders to identify key challenges and opportunities. The review will also consider best practices from comparable cities that have successfully implemented business-friendly permitting processes and systems. Findings and recommendations will be presented to the City Council for consideration at a future meeting, including any proposed code amendments, administrative adjustments, or resource implications.

This item aligns with the November 20, 2023 City Council adopted Small Business Initiative Implementation Plan as well as the City's 2024 Economic Study, which noted that complex and time-consuming permitting can slow business investment and growth and recommended streamlining procedures to foster a more business-friendly environment. This initiative directly supports recommendations listed within both documents by reducing procedural hurdles, improving efficiency, and ensuring City regulations keep pace with evolving business needs and design standards. Earlier this year, the City Council approved the Eastside initiative, which further complements the goals of the Economic Study and is aligned with this item by supporting local businesses, streamlining City procedures, and promoting economic vitality within the community.

This item is also consistent with Assembly Bill 671, a bill that was just signed by Governor Newsom. AB 671 requires expedited plan review for tenant improvements relating to restaurants—mandating local building or permitting departments approve or deny complete applications within a specific timeline. The new law is meant to help restaurants avoid expensive delays and lower costs, lessening the burden on small businesses.

STAFF ANALYSIS:

On November 20, 2023, the City Council adopted the Small Business Initiative Implementation Plan, which includes the following actions relevant to this item that are listed to be completed in upcoming phases of the implementation plan:

- 1.2 Pilot program for new sign types
- 2.7 Develop review protocols and timelines for all City divisions in the development application process
- 2.8 Create a user guide to the easiest path to get your business open
- 3.2 Comprehensive update to the City's sign code
- 3.3 Licensed professional self-certification program

This item aligns with those existing action items referenced above from the Small Business Initiative Implementation Plan. Any additional review would follow Council's adopted practice that when Council-initiated items direct staff to initiate new studies, programs, or projects that require oversight and analysis, it will be incorporated into a future annual or mid-year budget for funding and inclusion in departmental workplans. Based on current Staff work plans, if approved, it is anticipated that evaluation of the additional items in this initiative, along with the later phases of the Small Business Initiative Implementation Plan will be incorporated into the workplan during the FY 27 budget cycle, including the item's prioritization in division workplans.

In May 2025, the City Council gave direction to streamline the entitlement and development permit process for housing construction. The directives in that report requested quarterly updates to the City Council on the number of development permit applications and average processing times for different types of applications, including

those from Planning, Building & Safety, and Engineering. The recommendations in this report, though related to commercial tenant improvements, rather than housing production, are similar and the permit tracking and timeline data can be incorporated into Staff's quarterly reports to the Council.

CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST

HOLLYWOOD GENERAL PLAN:

This item is consistent with the Primary Strategic Goal(s) (PSG) and/or Ongoing Strategic Program(s) (OSP) of:

- OSP-3: Promote Economic Development while Maintaining Business Vitality & Diversity.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

- ED-3: Provide for continued economic growth through development and public improvements.

EVALUATION PROCESSES:

N/A

ENVIRONMENTAL SUSTAINABILITY AND HEALTH:

N/A

COMMUNITY ENGAGEMENT:

Staff will engage with the business community, the West Hollywood Chamber of Commerce, and other stakeholders to identify key challenges and opportunities.

OFFICE OF PRIMARY RESPONSIBILITY:

COMMUNITY DEVELOPMENT DEPARTMENT

ECONOMIC DEVELOPMENT DEPARTMENT / BUSINESS DEVELOPMENT DIVISION

DEPARTMENT OF PUBLIC WORKS

COMMUNITY SAFETY DEPARTMENT / NEIGHBORHOOD AND BUSINESS SAFETY

CITY COUNCIL INITIATIVE CATEGORY:

ECONOMIC DEVELOPMENT & BUSINESS REQUIREMENTS

FISCAL IMPACT:

None at this time.

ATTACHMENT:

None.