

**DEPARTMENT OF
CITY PLANNING**

COMMISSION OFFICE
(213) 978-1300

CITY PLANNING COMMISSION

MONIQUE LAWSHE
PRESIDENT

MICHAEL R. NEWHOUSE
VICE-PRESIDENT

MARIA CABILDO
CAROLINE CHOE
MARTINA DIAZ
PHYLLIS KLEIN
KAREN MACK
JACOB SAIMAN
ELIZABETH ZAMORA

City of Los Angeles
CALIFORNIA



KAREN BASS
MAYOR

EXECUTIVE OFFICES

200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801
(213) 978-1271

VINCENT P. BERTONI, AICP
DIRECTOR

SHANA M.M. BONSTIN
DEPUTY DIRECTOR

HAYDEE URITA-LOPEZ
DEPUTY DIRECTOR

ARTHI L. VARMA, AICP
DEPUTY DIRECTOR

LISA M. WEBBER, AICP
DEPUTY DIRECTOR

January 28, 2025

The Honorable City Council
City of Los Angeles
City Hall, Room 395
Los Angeles, California 90012

Dear Honorable Members:

REPORT BACK ON RECOMMENDATION RELATIVE TO TIME EXTENSION OF THE ZONING AND LAND USE RELIEF PROVISIONS WITHIN THE COVID-19 LOCAL EMERGENCY ORDINANCE (LEO) TARGETED SMALL BUSINESS RELIEF; CF 20-0380-S2

SUMMARY

On July 1, 2021, the COVID-19 Local Emergency Temporary Regulations, [Ordinance 187.096](#), (better known as the Local Emergency Ordinance or “LEO”) became effective, adding a new Section 16.02.1 to Article 6 of Chapter I of the Los Angeles Municipal Code (LAMC) to allow for temporary regulatory relief from certain automobile parking provisions and extending time limitations for utilizing an approved Conditional Use Permit or similar quasi-judicial action. Concurrently, as required by the Ordinance, a [Resolution](#) was adopted by the City Council to activate these Temporary Regulations during and for a period of one year from the end of the Mayor’s COVID-19 Local Emergency Declaration. The Mayor’s COVID-19 Local Emergency Declaration was issued on March 4, 2020 and terminated on February 1, 2023, giving the LEO an original sunset period of February 1, 2024. However, on January 24, 2024, as permitted by the Ordinance, a second [Resolution](#) ([CF 20-0380-S2](#)) was adopted by the City Council to extend the original one year provisions of the LEO for an additional 12-month period for a total of 24-months after the termination of the Local Emergency Declaration. As such, the current end date for the LEO established under this Ordinance is **February 1, 2025**, unless it is modified by the City Council via a Resolution. As part of this second Resolution, the City Council also instructed that the Los Angeles Department of Building and Safety (DBS) and the Department of City Planning (DCP) report back with an evaluation of the LEO and also provide recommendations on whether the LEO should be extended for an additional 12-month period.

In response to the City Council instructions, DCP and DBS used building permit and entitlement data to examine the level of LEO utilization and its overall impact on business and City operations. This report provides a high level summary of the data analyzed and a conclusion that the LEO continues to have utility for the City’s small businesses.

RECOMMENDATION:

The Los Angeles Department of Building and Safety (DBS) and the Department of City Planning (DCP) recommend that the City Council:

1. Extend the provisions of Section 16.02.1 of the Los Angeles Municipal Code (LAMC), Relief from Specified Land Use Provisions, to provide temporary regulatory relief from certain automobile parking provisions and extending time limitations for utilizing an approved Conditional Use Permit or similar quasi-judicial action during and for an additional 12-month period for the total maximum of 36 months after the termination or expiration of the COVID-19 Local Emergency Order, resulting in an end date of these relief provisions of February 1, 2026.

BACKGROUND

On June 23, 2021, the City Council enacted the LEO ([CF 20-0380-S1](#)) to provide temporary regulatory relief from certain time limitations for utilizing an approved Conditional Use Permit or similar quasi-judicial action and automobile parking provisions in response to the COVID-19 global pandemic. The LEO amended Article 6 of Chapter 1 of the LAMC by adding a new Section 16.02.1, which introduced relief provisions and created much needed regulatory flexibility for businesses within the City, especially during a time where business operators were confronted with unforeseen financial and operational challenges. The ordinance extended time limits for certain land use entitlement approvals and provided targeted parking relief for small scale projects, with the intent of helping local business proprietors reduce costs and maintain business operations. The City Council designed the relief provisions with the goal to bolster the vitality and sustainability of the City's commercial corridors during the pandemic. These commercial districts played a key role in employing local residents, boosting the overall health of the local economy, and strengthening public welfare, and as such were viewed as critical City economic resources during the pandemic.

LEO Relief Provisions

The primary goal of the LEO provisions is to reduce unnecessary administrative burdens by creating opportunities for small business continuity and growth. The temporary regulations focus on easing parking requirements, extending timelines for land use entitlements, and supporting small business operations in response to the economic conditions resulting from the pandemic.

Key provisions of the LEO include the following:

- **Automobile Parking Relief.** Businesses undertaking changes in use, outdoor dining areas additions, or similar operational adjustments are not required to meet additional parking requirements if they meet specific eligibility requirements outlined in the ordinance. For example, parking relief is provided for businesses seeking a Change of Use. Eligibility business seeking this relief must be a nonresidential use, have a valid certificate of occupancy or similar document, applied to the first 5,000 square feet of floor area of any tenant space, and no net loss of guest rooms or dwelling units, to qualify for parking relief. This parking relief reduces financial operating obstacles for businesses, easing the financial strain of additional parking compliance.
 - **Change of Use.** Applications for Change of Use submitted and accepted by DBS during the LEO within an existing building will not trigger new parking requirements.

- **Outdoor Dining Areas.** For new and expanded outdoor dining areas, no new parking will be required, nor will the maintenance of existing parking be required for approved outdoor dining/eating areas.
- **Valet Parking Conditions.** Any conditions of approval requiring valet parking will not be enforced during the temporary relief period only.
- **Off-Site Parking Conditions.** Any conditions of approval requiring off-site parking will not be enforced during the temporary relief period.
- **Eligibility.**
 - *Change of Use* parking relief must meet the following: a nonresidential use pursuant to zoning; building has a valid certificate of occupancy or building permit prior to the local emergency; parking relief only applies to the first 5,000 square feet of Floor Area for any tenant space; no net loss of guest rooms and/or dwelling units resulting from Change of Use.
 - *Outdoor Dining Area* parking relief only applies to establishments that have indoor seating for on-premise dining. This requirement does not necessitate that the indoor seating is currently utilized, if public health orders prohibit or restrict it.
 - *Valet and off-site automobile parking suspension of conditions* encompasses all discretionary approvals including variances if it meets the following only approved or active during the period of the LEO provisions; project permit adjustments, exceptions from Specific Plans, Conditional Use Permits and other quasi-judicial approvals; variance; adjustments and slight modification; land use legislative actions.
- **Exceptions.** Whenever the provisions of the LEO cease to apply, all applicable parking requirements and conditions of approvals and associated covenants shall be enforced, and if conditions were never met the applicant must provide verification to DCP.
- **Extension of Time Limits.** Conditional Use Permits (CUPs) and other quasi-judicial entitlements that may have expired or are at risk of expiration due to delays caused by the emergency are granted a longer expiration period. This allows projects to maintain their approvals without the need to reapply or restart the entitlement process.
 - Utilization and effectuation periods for most CUPs and quasi-judicial actions are eligible for an extension.
 - CUPs with a term-limit or expiration are eligible for an extension.
 - Any concurrent entitlement, as part of a multiple approval that includes an eligible CUP or quasi-judicial action, is eligible for an extension.
 - **Eligibility.** Most approved or active CUPs are eligible for the extension of time limits, as are the concurrent actions that were approved simultaneously.
 - **Exceptions.** Conditional use approvals related to fossil fuel extraction, fossil fuel production, fossil fuel storage, or other hazardous waste facilities that involve potentially intense environmental impacts such as petroleum extraction are not

eligible. Businesses or properties that have been subject to revocation proceedings that result in corrective actions or revocation are not eligible for a time extension.

- **Applications and Fees.** Applicants who seek to use relevant relief measures must submit formal applications and pay any applicable fees to access the regulatory relief benefits provided by the ordinance. Application submission was not necessary for suspension of conditions to take place and was automatically applied to any entitlement that required valet parking or off-site parking as part of their conditions of approval.

LEO Expiration and Extensions

Originally set to expire on February 1, 2024, the LEO included provisions allowing for an extension of up to 24 additional months by the City Council. The LEO became effective on July 1, 2021, with an expiration clause set to automatically expire 12 months after the end of the [Mayor's COVID-19 Local Emergency Declaration](#). The City Council could also terminate these provisions at any time by resolution after the Emergency Order expired. The Mayor's COVID-19 Local Emergency Declaration became effective on March 4, 2020 and ended on February 1, 2023, by Council action, thereby giving the LEO an expiration date of February 1, 2024. Provisions within the LEO allowed City Council to extend these provisions for up to 24 additional months after this expiration date. The extension provision allowed the LEO to last a total of 36 months after the end of the Local Emergency Declaration. On January 24, 2024, the City Council took [action](#) to adopt an [amended](#) Resolution that granted the approval of a 12-month extension to the provisions of the LEO, thereby extending the expiration date to February 1, 2025. As part of this Resolution, City Council directed DBS and DCP to report back on the impact of the relief program on businesses within the City, and to make recommendations on the need for another 12-month extension to 2026 as the LEO sunsets on February 1, 2025.

DISCUSSION

Utilization of the LEO

In response to the City Council's instruction, this report provides the following data points and topics for the City Council to consider, and makes a recommendation on whether a second extension to the LEO provisions, relative to Section 16.02.1 of the LAMC (Relief from Specified Land Use Provisions) is justified. The data presented here represents LEO utilization between July 1, 2021 (when LEO became operational) and November 1, 2024, and presents the following:

- the number of applications reviewed by DCP under a streamlined administrative review process rather than a discretionary review process by utilizing the LEO parking relief provisions.
- the number of building permit applicants who utilized the LEO parking relief provisions.
- the number of building permit applicants who utilized the LEO parking relief provisions despite being located in a transit-rich area which made them also eligible for parking relief through Assembly Bill 2097 (AB 2097)¹.
- the number of applicants who utilized the LEO time extensions on their entitlement conditions of approval

¹AB 2097 is a California bill that eliminates minimum parking requirements for eligible projects located near public transit, aiming to reduce costs and encourage sustainable development.

Note that for the automatic provisions under the LEO, such as the waived enforcement of valet parking and off-site parking conditions, no data tracking or metrics are available given the nature of the emergency allowance, however the following information presents quantitative and qualitative data on the number of impacted businesses or applications submitted for those provisions that did require applications.

Administrative review data, sourced from the Project Planning Ventura/Cahuenga Boulevard Specific Plan unit, provides detailed examples of how the LEO is used to clear projects. This data illustrates how LEO streamlines the administrative clearance process for Change of Use projects that trigger additional parking requirements. It highlights the benefits of the LEO in significantly reducing processing times and delivering financial savings to businesses.

Building permit data for LEO and AB 2097 was extracted from DBS records to assess LEO utilization with regards to parking relief, with a comparative analysis conducted against AB 2097. As it relates to the parking relief provisions, it was necessary to also examine the utilization of AB 2097 as it offers utility in providing parking relief across a broad spectrum of permit and entitlement applications, including for Change of Use and outdoor dining areas. By comparing both the LEO and AB 2097 utilization staff could better understand the different ways in which stakeholders utilized the different parking relief options.

The data was derived from key, specific search parameters, focusing on commercial permits related to alterations, repairs, additions, or change of use as the LEO's parking relief only applies to these types of building permits. Permit data was collected for records that included any permits utilizing LEO, AB 2097, and the total number of commercial permits related to change of use and outdoor dining.

Entitlement data for LEO was extracted from DCP records to assess LEO utilization with regards to time extensions. Planning's Development Service Center (DSC) tracks the utilization of time limit extensions using a case suffix labeled as LEOX. DBS and DCP Project Planning staff were also consulted regarding the data examined and additional anecdotal information was gathered from this staff to assess LEO's administrative benefits.

LEO Parking Relief Utilization

Specific Plan Administrative Clearances - Ventura/Cahuenga Boulevard Specific Plan (SP)

Within the Ventura/Cahuenga Boulevard Specific Plan, a Change of Use application for an existing building requiring more parking would necessitate the filing of a discretionary Project Compliance entitlement, with a potential appeal. The Project Compliance fee is \$6,670, the Department's processing timeline is approximately six months, and requires approximately 20 hours of planning staff time from case filing to condition clearance.

This time consuming process places an administrative burden on Planning Staff who must focus their time on these straightforward projects, taking time away from the other geographies and projects in the Valley communities. For many of the small businesses that require a Change of Use, the fees and processing timelines pose a significant risk to the financial stability of their business.

The implementation of the LEO greatly benefits the businesses along the Ventura/Cahuenga Boulevards by eliminating the requirement for a discretionary Project Compliance. Instead, projects undergo a \$384 ministerial clearance that is provided within one business day and can often be completed within one hour. From the time that Planning Staff started tracking the use

of the LEO ordinance within the Ventura/Cahuenga SP (July 1, 2022 - one year after the program was in effect) until January 17, 2025, approximately 71 Change of Use projects were administratively cleared using the LEO. Even without tracking the first year of the LEO, this represents a reduction of 1,349 hours of staff time and a savings of over \$473,570 for the Ventura Boulevard business community.

If the LEO were to expire on February 1, 2025, businesses applying for new Change of Use permits would be subject to the standard Project Compliance process one year sooner than if it were to be extended to February 1, 2026. An additional year of saving time, costs and staff resources would greatly benefit the business community within the SP so as to fully realize the benefits that were originally intended under the LEO.

Building and Safety - LEO Building Permits for Change of Use and Other

Between July 1, 2021 and November 1, 2024, a total of 2,453 building permits related to alterations, repairs, additions, and change of use were issued for nonresidential, commercial businesses. Of these, 17 permits were identified that were granted parking relief under LEO, representing less than 1% of the total commercial permits issued during this period (see *Table 1*).

As previously stated, this building permit data was extrapolated using specific search terms related to LEO, focusing on commercial permits for alterations, repairs, additions, or change of use. While this data shows only 1% of the permits utilized the LEO, it is important to note that there could be additional building permits that were not captured in this building permit data set if the specific search terms related to LEO were not included in the building permit project description.

Between 2021 and 2023, 7 permits were issued for businesses utilizing LEO provisions through LEO. All of these 7 permits sought parking relief for changes of use. However, the permit data did reveal a surge in usage of the parking relief provisions during 2024: a total of 10 building permits were granted parking relief under LEO, which is more permits issued than the two-year period between 2021 and 2023 since the inception of the LEO. Given that the Permanent Outdoor Dining Area Ordinance (188,073) was effective in January of 2024, we can surmise that the surge in permits applications for LEO related to tenant/outdoor area improvement correlates to codifying outdoor dining, either through LEO or the Outdoor Dining Ordinance inasmuch as that Ordinance created a permanent process to replace the temporary/emergency LA Al Fresco program put in place at the beginning of the COVID-19 pandemic when restaurants were not allowed to serve patrons indoors.

Building and Safety - AB 2097 Building Permits

Table 1. Estimate of Permits Utilizing LEO Parking Relief for Change of Use and Outdoor Dining

Year	Permit Type	Description	LEO Provision Utilized	Total Permits	AB 2097 Eligible
2021	Building - Alteration / Repair	Change of Use	Parking Relief	1	Not applicable as law became effective 1/1/2023
2022	Building - Alteration / Repair	Change of use	Parking Relief	4	Not applicable as law became effective 1/1/2023
2023	Building - Alteration / Repair	Change of Use	Parking Relief	2	1
2024	Building - Alteration / Repair	Change of Use Tenant / Outdoor Area Improvement	Parking Relief	10	2
Total				17	3

Assembly Bill 2097 (AB 2097) is a California law that aims to reduce automobile parking requirements for projects near public transit in order to encourage higher residential density, thereby improving housing affordability, and supporting climate resilience goals that promote walkability and alternative modes of transportation. The provisions of AB 2097 prohibit local governments from imposing or enforcing any minimum automobile parking requirements on any residential, commercial, or other development project that is within one-half mile of a major transit stop, with minor exceptions. For the purpose of the bill, a development project includes any project requiring a discretionary entitlement or building permit to allow the construction, reconstruction, alteration, addition, or change of use of a structure or land. The bill became effective on January 1, 2023, and local jurisdictions were expected to adjust their policies and procedures to align with AB 2097. The City's Zone Information and Map Access System (ZIMAS) currently identifies eligible parcels and also includes an AB 2097 eligibility map.

Permit data was collected from DBS to assess the utilization of AB 2097 by businesses, covering permit data available from the period of January 1, 2023, when AB 2097 became effective, to November 1, 2024. While AB 2097 applies to a wider range of projects including residential, commercial, and industrial developments, this analysis focuses specifically on commercial related uses. The same data parameters used for examining LEO permits (i.e., alterations, repairs, additions, and change of use) were applied when gathering the permit data. As such, the data does not represent the overall utilization of AB 2097 across all development project types; instead, the data is limited to change of use and outdoor dining area related permits in order to provide a fair comparison of utilization between LEO and AB 2097.

The data revealed that AB 2097 was utilized in 53 commercial related permits. AB 2097 parking relief was granted on 21 permits in 2023 and 32 permits in 2024 for projects related to change of use and building additions.

Table 2. AB 2097 for Commercial Change of Use and Outdoor Dining

Year	Permit Type	Description	AB 2097 Applied	Total Permits
2023	Non-Building - Alteration / Repair Building - Alteration / Repair	Change of Use	Parking Relief	21
		Addition		
		Tenant Improvement		
2024	Building - Alteration / Repair	Change of Use	Parking Relief	32
		Addition		
		Tenant Improvement		
		Remodel		
		Parking Reduction		
Total				53

Comparison Between LEO and AB 2097 Utilization

Further research by staff revealed that the majority of businesses who utilized LEO parking relief provisions were not located in AB 2097 eligible areas, suggesting that businesses who do not qualify for AB 2097 are more likely to utilize LEO to offset their standard parking requirements. Since the start of AB 2097 implementation on January 1, 2023, 12 permits have been issued by DBS for parking relief under LEO and nine of these 12 were not eligible for AB 2097 parking relief.

The permit data also indicates a significant increase in the utilization of AB 2097 since its adoption on January 1, 2023, for change of use and outdoor eating related projects (see Table 2). The data suggests that business operators eligible for both LEO and AB 2097 tend to utilize AB 2097 when seeking parking relief. This can be due to various factors including the type of projects seeking relief and whether a project met eligibility criteria for one or both of the relief provisions. Another reason may also likely be because AB 2097 is a long-term state law that provides equivalent parking relief, in contrast to the finite parking relief period offered by the LEO at a local level which is a lesser known regulatory relief process to applicants.

Of the total of 53 permits that utilized AB 2097 for parking relief on a change of use, a significant portion – based on the description of the projects – would also have been eligible for LEO as its applicability is citywide. This means that operators who had the option to utilize either AB 2097 or LEO for parking relief in their projects opted to apply for AB 2097 relief, indicating a preference by business operators to utilize the state law over the local ordinance.

LEO Entitlement Data - Extension of Time Limits

Time extensions issued under LEO were tracked by DCP's Development Service Center (DSC). The DSC began granting and tracking time extensions for eligible entitlement cases following the conclusion of the COVID-19 Local Emergency Order and the end of the Mayor's Tolling Period, which ended on February 1, 2023. The Mayor's Public Order had automatically granted

time extensions on all valid entitlements, meaning those entitlements with a Letter of Determination (LOD) issued prior to or during the tolling period, with the exception of subdivisions and Coastal Development Permits. Once the Mayor's Public Order was rescinded, the Mayor's automatic time extensions were no longer applicable and the LEO time extensions could be pursued by applicants through the DSC. After this, eligible operators could apply to LEO and pay any relevant fees for time extensions in order to avoid submitting new applications on any term-limited grant expiration.

DSC data collected between May 2023 (the earliest available data) and November 2024 showed that 34 projects had utilized time extensions under the LEO, see *Table 3*. The LEO time extension allowed these businesses to extend any expiring entitlement conditions without requiring the business operator to file for a new entitlement application. In 2023, a total of 9 business operators sought time extensions through LEO. In 2024, a surge in time extensions took place with 25 applicants who were approved for time extensions. Additional 6 applicants applied for LEO time extensions but were denied as they did not meet eligibility criteria.

Table 3. LEO Time Extensions Utilized

Year	Approval Body	Case Types	Time Extensions Approved
2023	Zoning Administration (ZA) City Planning Commission (CPC)	CU Conditional Use CUB Beverage-Alcohol CUX Adult Entertainment ZV Zone Variance	9
2024	Zoning Administration (ZA) City Planning Commission (CPC)	CU Conditional Use CUB Beverage-Alcohol CUX Adult Entertainment MCUP Master Conditional Use Permit PAB Plan Approval Booze ZAA Area, Height, Yard, and Building Line Adjustment (LAMC 12.27) ZAD ZA Determination ZAI ZA Interpretation ZV Zone Variance	25
Total			34

LEO Expiration

Once the provisions of this Ordinance expire on February 1, 2025, compliance with the permanent regulations outlined in the LAMC will be required for new applications, unless extended by City Council or otherwise stated by another City ordinance or state law, such as AB 2097.

Parking modifications for Changes of Use projects who have been granted parking relief under LEO will be permanent for approved applications for the life of the use. The City will not require those businesses or properties to provide additional parking after the expiration of these provisions. Imposing additional parking requirements could be detrimental to a business once an approval under the LEO is granted. Unless the business operator modifies their project and/or seeks new permits that may trigger compliance with the standard parking regulations, the LEO parking relief previously granted applies.

Time extensions are limited to the duration of the active LEO period. Once the LEO expires, any further time extensions will no longer be applicable. These extensions do not eliminate or modify any additional conditions imposed by a plan approval or the requirements for a new approval. Instead, they only extend the deadline for compliance with any expiring conditions.

All remaining parking relief is temporary and time limited. Once the temporary LEO provisions sunset, then any conditions of approvals requiring valet or off-site parking will be fully enforced. Additionally, any outdoor dining areas will need to adhere to the existing provisions of the Zoning Code. However, it should be noted that the City Council adopted Ordinance No. 188,073, as previously mentioned, to create a permanent AI Fresco program that provides permanent parking relief for eligible outdoor dining operators. Outdoor dining operators that do not qualify for parking relief through the permanent AI Fresco program will need to comply with the parking requirements in the LAMC or look for other avenues to gain parking relief.

CONCLUSION

LEO has proven to be a valuable tool in supporting businesses across Los Angeles during the unprecedented challenges posed by the COVID-19 pandemic and post-pandemic environment. Additionally, LEO has been successful in aiding businesses through the financial and operational hardships of the pandemic era. The Ordinance provided essential regulatory relief, including parking relief and time extensions, which helped small businesses reduce their businesses related expenses and maintain operations during a difficult period. The first extension of the Ordinance, as authorized by the City Council in 2024, underscores the continued importance of these relief measures in aiding business recovery and stability. City permit and entitlement data indicates an increase in utilization of LEO provisions, demonstrating that more businesses are taking advantage of the benefits of the program as business operators become more aware of the LEO. Additionally, LEO has proven beneficial to City departments, streamlining permit clearances, and significantly reducing cost and waiting times for applicants.

As the LEO nears its expiration date in February 2025, careful consideration will need to be given regarding the benefits that the LEO has provided to stakeholders and City departments. Ultimately, the end of the LEO will mark a return to a more standard regulatory practice, but the lessons learned from this period will continue to inform the City's future, long-term policy decisions around business resilience. There are several points to consider as the City Council deliberates on the future of the LEO, as outlined below:

- 1. Continued Support for Small Business Recovery and Commercial Corridors.** The LEO has aided in maintaining the vitality of Los Angeles' commercial corridors, which were severely impacted during the pandemic. Extending these provisions would continue to support local employment, enhance economic activity, and contribute to the city's broader economic recovery.

Even as the immediate effects of the pandemic have subsided, small businesses still face economic challenges, including fluctuating customer behavior, inflation, and lingering supply chain disruptions that have resulted post-COVID. The LEO offers critical targeted regulatory relief that helps businesses avoid expensive and time-consuming permit applications and parking related costs that could otherwise hinder their operations and recovery. Extending the LEO would ensure ongoing support, alleviating these regulatory burdens and enabling small businesses to navigate the post-pandemic landscape more effectively.

- 2. Reduced Administrative Burden for Applicants and City Departments.** The report highlights a notable surge in utilization of LEO parking relief and time extensions in 2024, which suggests that businesses are still in the process of recovering from the pandemic and that more businesses are learning about and utilizing the LEO provisions. Additionally, extending the LEO provisions results in significant administrative time savings for City departments, notably by cutting down permit clearance times. For instance, a permit that would otherwise take six months or more to finalize can now be processed in just a matter of days with the LEO in place. This streamlines the permitting process, allowing business operators to more efficiently navigate the permitting process while allowing City departments to save valuable staff time and resources. In this way, the LEO fosters a more efficient regulatory environment that benefits both the applicant and the City by reducing red tape. By extending the LEO, both applicants and City departments benefit from reduced administrative costs and processing times. Furthermore, the time extension will also allow the City to adjust their operations as the LEO sunsets in 2026.
- 3. Modest Utilization and Data Interpretation.** Data shows that the utilization of LEO provisions for parking relief and time extensions has been somewhat limited, especially in comparison to AB 2097 parking relief utilization. However, permitting data may not paint the full picture on LEO's utility. DCP shows that there could be applicants utilizing LEO with no indication of LEO in permitting data records, suggesting a much higher reliance on LEO provisions by applicants. Additionally, the uptick in usage in 2024 indicates that as businesses continue to adjust to the post-pandemic landscape, more are turning to the LEO for regulatory relief. Given that parking relief and time extensions are especially valuable for smaller, local businesses that may lack the resources to navigate complex regulatory hurdles. The surge in applications also indicates that both applicants and City departments are more broadly taking advantage of and implementing the LEO provisions.
- 4. Ensuring Continued Parking Relief for Business Outside of AB 2097 Eligibility.** AB 2097, which eliminates minimum parking requirements near transit-rich areas, provides a permanent and broader solution to parking relief based on proximity to transit resources. Its broad applicability has made it one of the most popular avenues for parking relief. However, businesses that fall outside the designated "transit-rich" areas continue to rely on LEO's temporary parking relief. While AB 2097 has become the preferred option for many businesses within the City, many businesses remain eligible for LEO but not for AB 2097, as they are outside of the eligible areas. This highlights that while AB 2097 is the preferred option in general, the LEO continues to provide utility for businesses located outside its eligibility areas. Extending the LEO would ensure that businesses unable to benefit from AB 2097 still have regulatory flexibility for an additional year, allowing them to operate with reduced time consuming administrative processes and fees.
- 5. Nature of Temporary Relief and Long Term Solutions.** As the City's recovery from the pandemic has progressed, most businesses continue to adapt to the post-pandemic environment. It is crucial to note that all relief provided through the LEO is temporary. Therefore, extending the provisions for an additional year ensures that businesses have enough time to adjust to the regular, permanent regulatory requirements once the LEO sunsets. It is a reasonable policy decision to extend these temporary provisions given the still-present economic uncertainties. Additionally, the LEO can also serve as a learning opportunity for the City as it explores more permanent, long-term solutions for businesses.

In conclusion, by extending the LEO for an additional year, it will provide continued regulatory relief for small businesses and enhance the efficiency of City operations. Combined utility of LEO and emergence of more permanent solutions, such as AB 2097, have proven to provide various regulatory relief pathways for business operators in a post-pandemic environment. As businesses remain in a period of recovery and transition, the LEO's ability to reduce administrative burdens and streamline the permitting process make it an indispensable tool for the City. Furthermore, as Los Angeles faces new challenges, such as the aftermath of the January 2025 wildfires, the LEO could serve as an additional tool in supporting the rebuilding and recovery efforts in the affected communities. Extending the LEO aids businesses in navigating permitting hurdles but also fosters a more efficient, sustainable regulatory environment that benefits both business operators and City departments. Therefore, it is advisable to extend the provisions of LEO until February 2026.

If you have any questions regarding this matter, please direct them to DCP, Diego Janacua-Cortez at diego.janacua@lacity.org and/or LADBS, Celeste Nguyen at celeste.nguyen@lacity.org.

Sincerely,



VINCENT P. BERTONI, AICP
Director of Planning
Los Angeles City Planning



OSAMA YOUNAN,
General Manager
Los Angeles Building and Safety

VPB: AV: hsc: nc: djc