

**EL DORADO COUNTY**  
**Chief Administrative Office**  
**Office of Economic Development**  
**INTEROFFICE MEMORANDUM**

DATE: February 22, 2012

TO: Board of Supervisors

FROM: Laura S. Gill, Chief Administrative Officer  
Samuel E. Driggers, Jr., Economic Development Coordinator

CC: David Storer, Assistant Chief Administrative Officer

SUBJECT: Follow-up report and recommendations to the Board, as directed October 2, 2007 including identification of impediments that affect economic expansion within El Dorado County.

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**BACKGROUND**

At the Board of Supervisor's meeting on October 2, 2007, your Board directed the Economic Development Coordinator to return on January 29, 2008 with a report addressing issues and solutions to impediments related to General Plan amendments, zoning ordinance changes, fee structures, business license and permitting issues, system-wide improvements for streamlining our internal processes and upgrading customer service activities that affect employment generating projects in El Dorado County.

**ISSUES**

The El Dorado County economic development strategy adopted by your Board on October 2, 2007, directs that regulatory reform is a critical element of the program to retain and attract jobs, new investment, and improve the quality of life for the citizens of El Dorado County.

As directed by your Board, this report prepared in cooperation with the Development Services Department, recommends the steps to be taken and actions necessary to improve the development process and remove barriers to attract additional investment and create jobs to El Dorado County. Additionally, this report implements measures contained within the Economic Development Element of the El Dorado County General Plan adopted by your Board in July 2004.

**REASONS FOR RECOMMENDATION**

This memo outlines identified barriers to business retention, location, and expansion in El Dorado County. Following approval by your Board, the Chief Administrative Officer will direct staff to implement the recommended actions, address necessary staffing and resource constraints in the 08-09 budget and include items critical to the success of this regulatory and process improvement initiative.

1. **Barrier:** The cost in time and money for an applicant to secure approval through El Dorado County's project review and approval process often times prevents the County from being competitive for employment and revenue generating project locations.

**Recommended Action: Establish a timeline and framework for the permit process.** In order to allow existing or new businesses to expand or locate in El Dorado County, a permit process should be established that includes both a specific timeline and a transparent structure for review and approval. Permits for any employment generating project (as defined by three or more employees and 5,000 or more square feet) shall be directed to the Director of Development Services for priority processing. As timelines for permit processing are established within the division, the Director of Development Services shall create an expedited process to facilitate the urgent need for permit issuance.

2. **Barrier:** There is no one point of contact within the Development Services Department who tracks projects, provides feedback and advice to an employment generating project applicant as the application makes its way through the various internal and external agencies' review processes. In the past, this has led to miscommunication, missed opportunities, loss of time and delay of projects costing both the project and County.

**Recommended Action: Create an employment generating project "Permit Caseworker."** As a member of the Development Services Department staff, the Permit Caseworker will assist the applicant for an employment generating project through the County's approval process. The assistance provided will include providing a fee estimate (which includes both El Dorado County and outside agency fees) and the timeframe for review and approval, in order to obtain their permit(s). This position would work in coordination with the Economic Development Coordinator.

3. **Barrier:** The current timeframe for obtaining an entitlement can be excessive, slow, and in some cases, prohibits development.

**Recommended Action: Direct Development Services staff to establish an entitlement facilitation program.** Many business project proponents are not the land owners. They would benefit from an entitlement facilitation process in the earliest of phases to ensure project feasibility prior to securing the land and financing necessary to develop the proposed project. Additionally, entitlements can assist in the marketing of the site early in the development process, providing more financial security for the project and the ability to attract business tenants. This may be included as part of the pre-application conceptual review process that is already in place and has been utilized by some commercial-based projects.

4. **Barrier:** Businesses or their applicants that have issues with the County often seek assistance from the Office of Economic Development (OED) in addressing those issues.

**Recommended Action: Approve the inclusion of the Economic Development Coordinator in the Development Services Technical Advisory Committee (TAC) for Employment generating projects.** Earlier involvement in the development process by OED can help resolve those issues in a timely manner. The Economic Development Coordinator will assist and provide input to the Development Services Department TAC on employment generating projects. This will also facilitate

the coordination of county economic development resources (employment training, loan programs, etc) with the County's development process.

5. **Barrier:** There is often times a lack of communication between business seeking to locate or expand in the County, and County departments as their project applications are often times submitted by their proponents (architects, engineers, or others).

**Recommended Action:** **The Economic Development Coordinator will establish a line of communications between the business and the County.** The Economic Development Coordinator will confirm for the application process, that three or more jobs are being created and the project qualifies as an employment generating project. The Economic Development Coordinator will utilize that line of communication with the business to advise them if issues such as an incomplete application, failure to pickup plans that have been reviewed or to respond to requested changes in a timely manner have occurred.

At the same time, the Economic Development Coordinator will ensure that the business or industry is aware of other programs available in El Dorado County including employment training and financing (JOB One, SEDCorp, Golden Sierra WIB).

6. **Barrier:** The current decision making and approval process, for employment generating project applications, is slow in delivering the necessary project permits, waivers, or variances.

**Recommended Action:** **The authority from your Board to approve projects and grant design waivers may be delegated to the Zoning Administrator or Development Services Director by amending the process procedures in the zoning ordinance.** For example, waivers for ministerial projects are currently required to go through a discretionary review such as a variance or Planned Development process. Modifications to existing policies and ordinances could allow for ministerial projects requesting waivers to be reviewed and approved at either the Zoning Administrator or Director.

7. **Barrier:** Not every employment generating project that would benefit is electing to take advantage of the Pre-Application process.

**Recommended Action:** **Encourage County staff to inform employment generating project applicants of the benefits of the Pre-Application Process.** The Pre-Application Process, before the submission of a site plan would allow for streamlining the development review and CEQA process by providing early identification of environmental impacts and issues that could slow down a project prior to the submittal of a formal application. Technical analysis prepared by staff early on in the project design phase, will make it easier and less costly to make modifications, and identify mitigation measures that can be incorporated into the final project.

8. **Barrier:** There is no formal coordinated process for examining and rectifying inconsistent or unnecessary policies and procedures that create barriers and constraints for employment generating projects.

**Recommended Action:** **Establish a process improvement group in Development Services.** The

group should include representation from the Planning Commission, Building Industry Advisory Committee, Economic Development Advisory Commission, Surveyors, Architects, Geologists and Engineers (SAGE), and El Dorado Builders Exchange in quarterly meetings with the CAO's office. The group would be responsible for advising staff of issues and recommending solutions to issues as they arise. The group may assist in the review of the new Design and Improvement Standards Manual (DISM) now being developed by County staff.

9. **Barrier:** When the zoning is inconsistent with the general plan designation, the applicant must spend time, effort and money on getting a rezone before the project can proceed. The applicant is forced to expend resources for final design of the project, landscaping and parking before knowing the outcome of the rezoning, or in the alternative wait for completion of the rezoning to proceed.

**Recommended Action:** Accelerate the process of bringing zoning designations into conformity with the General Plan designations in advance of development applications.

10. **Barrier:** Implementation Measure LU-C provides, in part, that:

Establish performance standards to be included in the Zoning Ordinance to allow applicants for ministerial projects to demonstrate compliance with General Plan policies and with other applicable County ordinances, policies, and regulations. Until such time as these standards are developed, the Planning Director shall review information submitted by the applicant to ascertain compliance. . . .

This requires a separate finding of consistency by the Planning Director in connection with most building permits. It is accomplished through the use of a checklist that is intended to make the process as efficient as possible. Still, the process creates a delay in the building permit process.

**Recommended Action:** Accelerate revision of the Zoning Ordinance to include such performance standards which will obviate the need for a consistency finding by the Planning Director.

11. **Barrier:** The current PD ordinance contains opportunities for streamlining the process. It provides that an applicant may choose to submit a preliminary development plan with the rezoning to PD. The final development plan is then required to come back to the Planning Commission or Board of Supervisors for approval. The process could be streamlined to provide that if the preliminary development plan is sufficiently detailed, the Board or Planning Commission may delegate approval of the final development plan to staff or the Zoning Administrator.

**Recommended Action:** Amend the Zoning Ordinance to allow delegation of approval of final development plans to staff or the Zoning Administrator.

12. **Barrier:** Businesses and the development community are often unaware of the technical assistance, financing, employment training programs and service provider organizations available to assist business.

**Recommended Action:** Economic Development Advisory Commission (EDAC) will review all

**economic development contracted agencies' programs which provide support to business.** EDAC will review all contracted agencies, to ensure coordination between businesses seeking to locate or expand and the agencies providing these programs. Programs include financing, employment training, film permits, government contract procurement, international trade, and business plan preparation. EDAC will also review and recommend the type and level of support for those business programs, supported by the County. The review will include all agencies' programs outside of the competitive process for promotions account funding.

13. **Barrier:** If a business closure, relocation, or if a disaster occurs where employees may be displaced and revenues to County are at risk, we do not have a rapid response program in place to assist those businesses.

**Recommended Action:** Establish a rapid response or “Red Team” for at risk businesses on an as needed basis. A “Red Team” will be put together and respond when a business is identified as being at risk of leaving, reducing operations, or following a disaster and anytime the County is at risk of losing jobs and revenue.

Members of the “Red Team” will include County Supervisor in whose district the business or industry resides, County Administrative Officer, and the Economic Development Coordinator. The “Red Team” may also include, as necessary, additional county staff, representatives from SEDCorp, SACTO, State of California – Business Transportation and Housing, JOB One, Los Rios Community College District and local chambers.

14. **Barrier:** In the past, there has been no centralized tracking system for businesses or industries, seeking information, applying for building permits, business licenses, State Board of Equalization permits, small business financing, employment training assistance or utilizing other County programs.

**Recommended Action:** Direct the Office of Economic Development to develop and implement a tracking system, contact and follow up with all new and expanding business and industries and employment generating projects within El Dorado County.

**List of Attachments:**

1. California Government Code Section 65920 – 65963.1 (Permit Streamlining Act)
2. El Dorado County General Plan, Economic Development Element