



KAREN BASS
MAYOR

EXECUTIVE DIRECTIVE NO. 4

Issue Date: June 22, 2023

Subject: Identifying Barriers to Small Business Creation, Development and Growth

The City of Los Angeles is a major international hub for business and entrepreneurial activity. Our City is home to over 460,000 businesses, the majority of which are small businesses that were hit particularly hard by the COVID-19 pandemic. In spite of the challenges brought by the last few years, small businesses represent 99% of the businesses that have opened in the City since 2022 and are responsible for 63% of net new jobs nationwide. To help these businesses continue to recover, thrive, and strengthen our local economy as a whole, the City is committed to reducing the barriers to small business growth.

To that end, I am creating the Los Angeles Business Steering Committee (LABSC) composed of representatives from City Departments and led by the Mayor's Office of Business and Economic Development. The Committee will be charged with evaluating the current state of commerce in the City and providing recommendations to promote the creation of, investment in, and growth of our local businesses. This marks the first step of many that we will take to fortify the infrastructure that underpins our local economy.

I hereby direct the Los Angeles Business Steering Committee (LABSC) to lead this effort and to perform the following tasks:

1. Review and assess their respective department's fees and taxes that apply to businesses and identify reasonable reductions that can be made to promote business creation and growth. Evaluate the cost of doing business within the City and discern how small businesses are experiencing these costs.

2. Assess the existing processes and timelines associated with starting a new business, expanding an existing one, and contracting directly or indirectly with the City. Develop a streamlined and modernized road map for navigating City processes in order to simplify businesses' engagement with the City.
3. Ensure Los Angeles remains competitive with other jurisdictions by conducting a comparative analysis of our City's fees, taxes, timelines, and procedures to those of other Cities that have successfully attracted businesses in recent years. Evaluate how other municipalities approach business growth and attraction to determine best practices.

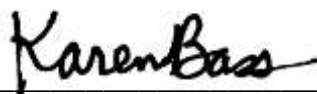
The scope of this directive is expansive and will require a cross-departmental approach. The following departments are directed to be active members of this Committee:

- Mayor's Office of Business and Economic Development
- Office of Finance
- Office of the City Administrative Officer
- Office of the City Controller
- City Planning Department
- Department of Building and Safety
- Department of Water and Power
- Economic and Workforce Development Department
- Department of Cannabis Regulation
- Department of Public Works (Bureau of Contract Administration, Bureau of Street Lighting, Bureau of Engineering, Bureau of Sanitation, and Bureau of Street Services)
- Fire Department

Other departments may be included, at the discretion of the Los Angeles Business Steering Committee (LABSC), at varying stages of the process.

Finally, I direct the Los Angeles Business Steering Committee (LABSC) to conduct its initial findings and report back to the Mayor's Office within 90 days of the issuance of this directive.

Executed this 22nd day of June, 2023



KAREN BASS
Mayor