SAN FRANCISCO
SMALL BUSINESS COMMISSION &
OFFICE OF SMALL BUSINESS

Business Permit Streamlining Report
July 2013

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# TABLE OF CONTENTS

**INTRODUCTION & EXECUTIVE SUMMARY** .................................................................................................... 3-8

**DETAILED COMPONENTS**................................................................................................................................. 9-50

**COMPONENT 1: DEPARTMENT PERMIT ANALYSIS** ......................................................................................................... 10-24

1.1. *Introduction* ................................................................................................................................................................. 10

1.2 *Methodology* ........................................................................................................................................................... 10-14

1.3 *Findings* .................................................................................................................................................................... 14-17

1.3.1 *Finding Assessment* ................................................................................................................................... 17-19

1.3.2 *Individual Department Findings* ............................................................................................................ 20-24

**COMPONENT 2: BUSINESS OUTREACH SURVEY ANALYSIS** ............................................................................................ 25-30

2.1 *Introduction* ................................................................................................................................................................. 25

2.2 *Methodology* .......................................................................................................................................................... 25-27

2.3 *Findings* .................................................................................................................................................................... 27-30

**COMPONENT 3: WEBSITE ASSESSMENT** ........................................................................................................................... 31-37

3.1 *Introduction* .................................................................................................................................................................. 31

3.2 *Methodology* ........................................................................................................................................................ 31-33

3.2.1 *University of Bremen’s Criteria* ............................................................................................................ 31-32

3.2.2 *Office of Small Business’s Criteria* .............................................................................................................. 32

3.3 *Findings* .................................................................................................................................................................... 33-37

**COMPONENT 4: JUSTIFICATION FOR COMPREHENSIVE AND INTEGRATED ONLINE PLATFORM/TOOLS** ............... 38-43

4.1 *Introduction* .................................................................................................................................................................. 38

4.2 *Best Practices* ........................................................................................................................................................ 38-42

4.3 *Short Term Permit Recommendations* ............................................................................................................ 42-43

**RECOMMENDATIONS** ..................................................................................................................................... 45-50
INTRODUCTION

&

EXECUTIVE SUMMARY
INTRODUCTION

In 2007, Proposition I was passed by 59% of San Francisco voters\(^1\) and a little over 106,000 active businesses were registered within the city at that time.\(^2\) That number today has increased to over 110,000.\(^3\) The Office of Small Business (OSB) has been delegated the responsibility under Proposition I to oversee any procedures that impact the San Francisco business community and report any streamlining opportunities for more efficient processing:

“The Office of Small Business shall issue a report that analyzes the existing laws, regulations, roles, procedures and responsibilities of all city departments that impact small businesses and makes recommendations regarding the streamlining and consolidation of such departmental functions under the Office of Small Business.” (See Chapter 2A Executive Branch, Article XVI of the Code of the City of San Francisco).

In 2010, the Board of Supervisors Budget and Legislative Analyst conducted an audit of the Office of Small Business, listing a number of findings regarding the status of the City’s permit systems.

- The City does not coordinate the multiple points of entry for small business registration and permits. The Office of Small Business’s original goal of creating physical one-stop permit center is inefficient; services could be better integrated through technology.
- No City entity is responsible for monitoring and improving the impact of permitting timelines, duplicated administrative processes, and redundant fees on small businesses. Multiple agencies are charging fees for business permits resulting in duplicate administrative costs.
- City departments lack permit systems that provide extensive online access to business applicants or link to other city departments. City departments also lack online application procedures and comprehensive permit systems.

In August 2012, the San Francisco Civil Grand Jury released a statement challenging the Mayor to take the lead to improve the City’s technology infrastructure, and touched upon the inability to consolidate City services for constituents. The Office of Small Business, in collaboration with the Office of Economic and Workforce Development (OEWD) and Mayor’s Office of Civic Innovation (MOCI) has committed itself to initiating a streamlining process to consolidate the permitting/licensing procedures for small businesses.

Outlined in Mayor Edwin Lee’s Roadmap to Good Jobs and Opportunities, specifically, Job Plan number 13, the streamlining efforts in the City’s permitting process through the use of technology has been a priority for the Mayor. The Office of Small Business is the most capable to complete Job Plan # 13 because of its knowledge of navigating the City’s permitting and licensing requirements, and ability to analyze and make recommendations on improving the existing procedures.

\(^3\) [https://data.sfgov.org/Business-and-Economic-Development/Businesses-Registered-in-San-Francisco-Active/funx-qxxn](https://data.sfgov.org/Business-and-Economic-Development/Businesses-Registered-in-San-Francisco-Active/funx-qxxn)
In an attempt to transform License 123 (the current software used) into a one-stop online portal for San Francisco small businesses, the existing procedures in obtaining permits and licenses must be analyzed to identify inefficiencies and OSB, MOCI, and OEWD have been in the developmental stages of this streamlining process by attempting to gain departmental cooperation, technological exploration, city by city comparisons, and business community input. By developing the content and scope within the portal, this project will allow San Francisco businesses a comprehensive understanding of the appropriate licenses and permits needed to open, grow, and continue to thrive in the City through a simple, accurate, and easy to use online tool.
EXECUTIVE SUMMARY

In 3 months, the Office of Small Business has collected, researched, and analyzed 203 permits, across 16 departments, related to opening and operating a business in San Francisco. Approximately 50 business organizations and business owners were surveyed regarding their experiences with the City’s permitting process. In addition, assessments of the 16 departments’ websites were conducted to discover best practices and generate recommendations.

Key Findings:

The Point of Contact Assessment shows the number of employees who handles a permit application throughout the approval process. The following is the breakdown of the number of Points of Contacts (POCs) for these 203 permits:

- 1-2 POCs: 71/203 or 35%
- 3-4 POCs: 109/203 or 54%
- 5-6 POCs: 18/203 or 9%
- 6+ POCs: 5/203 or 2%

The current status of the City’s business permits’ online capabilities are as follows:

- 85% (173 of 203) of applications can be found online
- 37% (76 of 203) can be filled out online
- 7% (14 of 203) can be submitted online
- 38% (78 of the 203) of permits are automatically sent through email
The main finding of the payment options among the 203 permits are highlighted through the following:

- The most common payment types accepted among departments are “Cashier’s Checks” and “Checks”
- The least common payment options available to applicants are “Debit Cards” and “Credit Cards”

When surveying the business community (50 respondents from small businesses that participate in merchant groups within San Francisco), the following is the breakdown of how they would rate the City’s current permitting system:

- Excellent: 10%
- Good: 24%
- Fair: 34%
- Poor: 32%
- Combined: Excellent to

When asked why respondents rated the permitting system “Fair” or “Poor,” the following reasons are chosen as the most challenging aspects of business permits:

- 48% selected “Amount of time processing permits”
- 27% selected “Amount of permits to apply for”
- 25% selected “Amount of money for permit related fees/inspections/etc.”
When asked to choose the following methods on how to improve the business permitting system within the City, business participants overwhelmingly selected the “One Stop Online Portal.” Other top choices were “List of Specific Permits to your Business”, “Email Notifications for Application Notices”, and “Email Notification for Fees/Renewals.”

Using the University of Bremen’s criteria for a “Public-User-Friendly Website,” the following is a breakdown of the 6 website characteristics.

In addition to San Francisco’s streamlining analysis, New York City and Boston have created online portals that vastly improved their permitting systems in both business interactions and permitting procedures. In light of this, other efforts for more streamlining analysis of the City’s business permitting systems would be best performed under the development of a one-stop portal due to the extensive data research the project will require.

**Key Recommendation: One Stop Online Business Portal**

Individually improving each department’s permit system can only temporarily enhance the City’s efficiency in its interactions with the business community. Streamlining these systems into one centralized portal is the most efficient way local businesses can apply for permits. This online one-stop portal will revolutionize how the City will interact with businesses, and will put San Francisco on the technological forefront of governmental interactions among major cities. This streamlining effort through the one-stop will significantly increase the City’s efficiency through the use of technology, while accommodating Proposition I requirements, the Controller’s Office audit of 2010, Civil Grand Jury’s technology challenge to the Mayor, and Mayor Edwin Lee’s Job plan #13.

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DETAILED COMPONENTS
1. Department Permit System Analysis

1.1. Introduction

Please note: this report uses the term “permit” as an umbrella term to include licenses, registrations, certificates, regulatory items, and programs related to operating a business in San Francisco.

The Office of Small Business is responsible for analyzing the current permitting system and generating a streamlining process to apply for business permits more efficiently and effectively. Examining each business permit in San Francisco is a key component in identifying redundancies in the application process, more efficient governmental interactions with the business community, and new methods of interfacing with local entrepreneurs. Before developing our methodology, we investigated other streamlining efforts nationwide to harness the most effective approach to gathering business permits, licenses, registrations, certificates, and programs, along with learning the procedures behind them. What we found is the necessity for an in-depth analysis of every permitting procedure behind approving/denying an application for a business. A citywide collection and breakdown of almost every permit related to businesses has the ability to identify the present standing of each system, where departments can improve their processes and the potential for technology to aide in the streamlining efforts. This analysis will make departmental cooperation a common practice.

This portion of the streamlining report will describe the methods of collecting, researching, and analyzing each business permit and the processes involved to approve or deny an application. The findings will be based on our analysis and will illustrate the current status of the most important functions of the City’s permitting process.

1.2 METHODOLOGY

In little over 3 months we have collected, researched, and analyzed 203 permit systems regarding opening and operating a business within San Francisco from 16 departments. The following is a list of those departments participating in our analysis with their respective number of permits, licenses, registrations, certificates, regulatory items, and programs applicable to businesses in San Francisco:

- Arts Commission (1)
- Assessor-Recorder (1)
- County Clerk (1)
- Department of Building Inspection (11)
- Department of Public Health (79)
- Department of Public Works (7)
- Entertainment Commission (17)
- Department of Environment (7)
- Municipal Transit Agency (12)
- Office of Contract Administration (1)
- Office of Labor Standards Enforcement (1)
- Planning Department (7)
- Fire Department (28)
- Police Department (22)
- Public Utilities Commission (4)
- Tax and Treasurer (4)
To attain this data, we developed a survey that asked for every permit, license, registration, certificate, regulation, and program pertaining to businesses. We asked a series of 29 questions regarding the process, purpose, fees, and type of permits involved with operating a business in San Francisco, along with 15 questions on regulatory items, 6 questions regarding programs, and 3 questions concerning departmental technology advances to make permits more accessible online. Each question answered will be analyzed to extract data that will illustrate the status of the permitting systems of every department. We categorized the 29 questions for permits into 3 classes of analysis: Simple, complex, and informational. Questions classified under “simple analysis” have easily identifiable answers that can be statistically recorded and illustrate any desirable or undesirable qualities within the status of each permitting system. Questions classified under “complex analysis” require more in-depth examination about circumstances that may alter desirable / undesirable qualities from responses given. Thus, this type of analysis will be of better quality if more time and resources were available. Informational analysis extracts data that has neither desirable/ undesirable qualities, but can provide resourceful information about a specific permit. This report will focus on the questions classified under the simple analysis category. Below is a classification breakdown of each question asked within the departmental survey along with reasons explaining its placement:

<table>
<thead>
<tr>
<th>Question</th>
<th>Simple</th>
<th>Complex</th>
<th>Informational</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What is the name/title of the permit/license/registration/certificate/ regulatory item?</td>
<td>No</td>
<td>No</td>
<td>Only gives the name of the permit; no other data can be extracted that can describe desirable/undesirable qualities.</td>
</tr>
<tr>
<td>2. What is the current number units this permit/license/registration/certificate/regulatory item has?</td>
<td>No</td>
<td>The number of issued units from a particular permit may illustrate the usefulness or effectiveness of its purpose. Yet other circumstances may explain why so many/little were issued. Needs more analysis.</td>
<td>No</td>
</tr>
<tr>
<td>3. What is the municipal authorization code of this permit/license/registration/certificate/regulatory item?</td>
<td>No</td>
<td>No</td>
<td>Only gives the authorization code to specific permit; no other data can be extracted that can describe desirable/undesirable qualities.</td>
</tr>
<tr>
<td>4. List (in order) the point FTEs (staff) involved with this process and include their class code</td>
<td>Describes the number of points of contact that a permit application has in order to be approved or denied.</td>
<td>Describe specific employees involved with process, and may highlight unnecessary processes/redundant steps with application procedure. Needs more analysis.</td>
<td>No</td>
</tr>
<tr>
<td>5. Write a brief description of the permit/license/registration/certificate/regulatory item.</td>
<td>No</td>
<td>Can highlight repetitive/redundant serving permits within a department, but may have other purposes as well. Needs more analysis.</td>
<td>No</td>
</tr>
<tr>
<td>6. What is the purpose of this permit/license/registration/Certificate/regulatory item?</td>
<td>No</td>
<td>Can highlight repetitive/redundant serving permits within a department, but may have other purposes as well. Needs more analysis.</td>
<td>No</td>
</tr>
<tr>
<td>7. Where can the applicant obtain a permit/license/registration/certificate/</td>
<td>A multiple choice question that can easily show the desired/</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Question</td>
<td>Answer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Is information available on the prerequisites, process and steps for submitting and obtaining a permit/license/registration/certificate?</td>
<td>A yes or no question that identifies if any information is available about the permit and its processes. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. List all departments that are required to provide your department some form of authorization or verification to issue this permit/license/registration/certificate.</td>
<td>Describes the number of other departments involved that a permit application has in order to be approved or denied. Describe specific departments involved with process, and may highlight unnecessary processes/redundant steps with application procedure. Needs more analysis. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. List the URL that provides information on the prerequisites, process and steps for submitting and obtaining a permit/license/registration/certificate on your department’s website.</td>
<td>If URL is provided, then this a desirable quality that should be recorded. Only lists the specific webpage address (if applicable) to the information regarding a certain permit; no other data can be extracted that can describe desirable/undesirable qualities. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. List URL for the permit/license/registration/certificate application form on your department’s website.</td>
<td>If URL is provided, then this a desirable quality that should be recorded. Only lists the specific webpage address (if applicable) to the actual application; no other data can be extracted that can describe desirable/undesirable qualities. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Can a user fill out the application online/website?</td>
<td>A yes or no question to see if application can be filled online. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. If answered Yes to #12, can the application form be submitted online?</td>
<td>A yes or no question to see if application can be submitted online. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. If you answered #13, is an auto/email confirmation sent to confirm a successful transmission?</td>
<td>A yes or no question to see if an auto confirmation is sent after application is submitted. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. If No to #12 or #14, does department staff provide some form of confirmation of receipt of application?</td>
<td>A yes or no question to see if any confirmation is given after application is submitted. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. What form of communication is used to follow up with the applicant?</td>
<td>Types of communication highlight efficient/inefficient methods of following up with an applicant. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. What means are used by your department to communicate an incomplete or rejected application to an applicant?</td>
<td>Types of communication highlight efficient/inefficient methods of rejecting an applicant. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. What is the application fee for the permit/license/registration/certificate?</td>
<td>No Only describes the fee related to the permit; no other data can be extracted that can describe desirable/undesirable qualities. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. What is the breakdown for the permit/license/registration/certificate/regulatory items fee?</td>
<td>No Can describe why a permit fee is high/low; but other circumstances may apply beyond response given; Needs more analysis. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. What types of payments are accepted?</td>
<td>Types of payment can highlight efficient/inefficient methods of paying application fees. No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. How does an applicant submit a</td>
<td>Types of submission No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Question</td>
<td>Response</td>
<td>Notes</td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>----------</td>
<td>----------------------------------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>
| 22. List the type of renewal for this permit/license/registration/certificate/regulated item? | No       | Only gives information regarding permit renewals; no other data can be extracted that can describe desirable/undesirable qualities. No
| 23. Who receives the initial payment/billing for this permit/license/registration/certificate/regulated item? | No       | Renewal processes are complex and will need more in depth analysis. No |
| 24. What is the means by which the business is notified it is time to renew and remit payment for this permit/license/registration/certificate/regulated item? | No       | Renewal processes are complex and will need more in depth analysis. No |
| 25. How can a business submit the renewal fee?                          | No       | Renewal processes are complex and will need more in depth analysis. No |
| 26. For online forms, is an auto/email confirmation sent to confirm a successful transmission? | No       | Renewal processes are complex and will need more in depth analysis. No |
| 27. What means are used by your department to communicate an incomplete or rejected renewal to a business? | No       | Renewal processes are complex and will need more in depth analysis. No |
| 28. If this is an annual permit/license/registration/certificate/regulated item, how much is the renewal fee? | No       | Renewal processes are complex and will need more in depth analysis. No |
| 29. What types of payments are accepted for the renewal?                | No       | Renewal processes are complex and will need more in depth analysis. No |

After dispensing surveys to each department’s point of contact for our streamlining process, we received the 203 permits with answers to the questions above. The department permit survey tracks all permits, licenses, certificates, registrations, regulatory items, and programs related to business and the processes behind them. With this, the following is a methodology on how to analyze this data and how we will use it for our streamline report to generate strong recommendations:

1. Separate simple, complex, and informational responses/data for permit, licenses, certificate, registration questions.
2. Tally up all desired and undesired characteristics from each permit listed from every department
   a. Formula:

   \[
   \text{Total of desired/undesired responses} \div \text{Total number of responses from all permit questions} = \text{percentage of desirable/undesirable characteristics}
   \]

   b. EXAMPLE: For the question “Can a user fill out the application online/website?”
   4 out of 17 permits from the Entertainment Commission have the ability to be...
filled out online while 13 out of the 17 do not. Thus, 23% of the Entertainment Commission’s permits related to business can be filled out online (a desired quality while 76% cannot (an undesirable quality).

c. The following chart is a breakdown of desirable/undesirable qualities for each questions asked under the qualitative class:

**Desirable/Undesirable Qualities for Simple Responses**

<table>
<thead>
<tr>
<th>Analyzed Question</th>
<th>Desirable</th>
<th>Undesirable</th>
<th>Neutral</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. List (in order) the point FTEs (staff) involved with this process and include their Class Code.*</td>
<td>Low number of points of contact (0-3 POCs); easier to contact employees and where application is</td>
<td>Medium to High points of contact (4-6 POC)</td>
<td>High points of contact (6+ POC); permits require specialized employees to inspect business operations</td>
</tr>
<tr>
<td>7. Where can the applicant obtain a permit/license/registration/certificate/regulatory item form? **</td>
<td>Electronically (Online, Email, Fax); applicant can receive the application from home immediately or short period of time</td>
<td>Manually picking up an application (Dept., Phone); Mail takes too much time for applicant to receive</td>
<td>Miscellaneous procedures to approve specialized permits; Not applicable (N/A)</td>
</tr>
<tr>
<td>8. Is information available on the prerequisites, process and steps for submitting and obtaining a permit/license/registration/certificate?</td>
<td>There is information available (Yes)</td>
<td>Information is unavailable (No)</td>
<td>Not applicable (N/A)</td>
</tr>
<tr>
<td>9. List all departments that are required to provide your department some form of authorization or verification to issue this permit/license/registration/certificate.*</td>
<td>Low number of departments (0-3 Dept.)</td>
<td>High number of departments (6+ Dept.); more prominent of delays, confusion, and redundancies</td>
<td>Moderate number of departments (4-6)</td>
</tr>
<tr>
<td>10. List the URL that provides information on the prerequisites, process and steps for submitting and obtaining a permit/license/registration/certificate on your department’s website.</td>
<td>URL is provided (Yes) and link is active</td>
<td>There is not a URL for information (No)</td>
<td>No URL provided (N/A)</td>
</tr>
<tr>
<td>11. List URL for the permit/license/registration/certificate application form on your department’s website.</td>
<td>URL is provided (Yes) and link is active for permit app</td>
<td>There is not a URL for permit app (No)</td>
<td>No URL provided (N/A)</td>
</tr>
<tr>
<td>12. Can a user fill out the application online/website?</td>
<td>Yes; easy app to fill for user</td>
<td>No; handwritten responses required</td>
<td>Not Applicable (N/A)</td>
</tr>
<tr>
<td>13. If answered Yes to #12, can the application form be submitted online?</td>
<td>Yes; can finish app all online</td>
<td>No; requires user to print and send app another way</td>
<td>Not Applicable (N/A)</td>
</tr>
<tr>
<td>14. If you answered #13, is an auto/email confirmation sent to confirm a successful transmission of an application?</td>
<td>Yes; department acknowledges app through electronic notification</td>
<td>No; applicant does not receive an electronic notification</td>
<td>Not Applicable (N/A)</td>
</tr>
<tr>
<td>15. If No to #12 or #14, does department staff provide some form of confirmation of receipt of application?</td>
<td>Yes; department sends some type of notice to applicant</td>
<td>No; applicant does not receive any confirmation</td>
<td>Not Applicable (N/A)</td>
</tr>
<tr>
<td>16. What form of communication is used to follow up with the applicant? **</td>
<td>Email, phone, and mail are clear ways to communicate and notify applicants. Faxes are antiquated but also provides immediate</td>
<td>No Procedure/up-to-staff to decide how to communicate; unstructured and not reliable. In-person notifications slow and</td>
<td>Not Applicable (N/A)</td>
</tr>
</tbody>
</table>
**Component 1: Dept. Permit Analysis**

**Small Business Commission & Office of Small Business**

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<table>
<thead>
<tr>
<th>Question</th>
<th>Notices to Applicants</th>
<th>Cumbersome</th>
<th>Not Applicable (N/A)</th>
</tr>
</thead>
<tbody>
<tr>
<td>17. What means are used by your department to communicate an incomplete or rejected application to an applicant? **</td>
<td>Email, phone, and mail are clear ways to communicate rejections. Faxes are old tech but also provides immediate notices to applicants</td>
<td>No Procedure/up-to-staff to decide how to communicate; unstructured and not reliable. In-person rejections slow and cumbersome</td>
<td>Not Applicable (N/A); Other permits require specific procedures (Other; Inspection, Hearing, etc.)</td>
</tr>
<tr>
<td>20. What types of payments are accepted?</td>
<td>Debit Cards and/or Credit cards are most convenient type of payment for applicants</td>
<td>Money orders and/or Cashier’s Checks are outdated methods of payment and not frequently used</td>
<td>Cash and/or checks are standard methods of payment; Not Applicable (N/A)</td>
</tr>
<tr>
<td>21. How does an applicant submit a fee?</td>
<td>Online is the most convenient method possible to submit payments; Phone is second best</td>
<td>In-person payments (Dept.) take time and effort just to pay a permit app. Applicants should focus more on business than fees</td>
<td>Mail is somewhat convenient for applicant but lacks tracking confirmation ability; Not Applicable (N/A)</td>
</tr>
</tbody>
</table>

*Question requires more specific analysis before being considered desirable/undesirable

**Department responses has more than one option that may be desirable/undesirable

3. Create a “Departmental Total” sheet that tallies every department’s desirable/undesirable qualities.
   a. This will be a citywide analysis on the business permit status of all 16 departments.
   b. EXAMPLE: Only 7% of all permits pertaining to businesses can be submitted online.

1.3 Findings

Key findings from the department permit analysis:

- 35% of all city permits have 1-2 points of contact when processing an application. 54% have 3-4 points of contact, 9% have 5-6, and 2% of permits have 6 or more points of contact.
  o Of the 2% with 6 or more points of contacts, all departments involved (Department of Building Inspection and SF Environment) require specialized in-depth procedures to ensure compliance of regulations from an applicant.
  o Graph A below shows the breakdown of the departmental points of contact:
• A majority of the departments provide multiple options for an applicant to receive application forms, with 85% of permit application forms being available online. Because all departments have a combination of options available for applicants, our current permit system is up to par with the demands of business constituents. Graph B below illustrates the number of options given to applicants.

![Graph A: Number of Points of Contacts](image)

- 1-2 POCs: 35%
- 3-4 POCs: 54%
- 5-6 POCs: 9%
- 6+ POCs: 2%

• When a department’s permit approval process involves other City departments, the length of time it takes to approve the permit will increase. The fewer departments involved with
a permit, the faster it gets processed. The following is a breakdown of the departments involved for each permit.

- 0 to 3 departments involved: 47% of permits.
- 4 to 6 departments involved: 36% of permits.
- 6 or more departments: 14% of permits.

- Online capabilities of the City’s permitting systems are essential to the streamlining process.
  - 95% (# of 203?) of permits provide information on the prerequisites, processes, and steps for submitting online.
  - 85% (173 of 203) of applications can be found online. However, only 76 permits, or 37% have the ability to be filled online, and, only 14 of the 203 permits (7%) can be submitted online. 38% of submitted permits receive an auto confirmation (a notification sent immediately to their email). Graph C illustrates the breakdown of our business permits’ abilities online:

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Chart C: Permit Online Capabilities (Out of 203)

| Component 1: Dept. Permit Analysis | Small Business Commission & Office of Small Business |
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• The majority of rejected/incomplete applications (77%) are communicated through the phone. The following is a list of other means of communication City departments use to notify an applicant’s rejected or incomplete application.
  o In-Person = 8%
  o Mail = 26%
  o Email = 65%
  o Fax = 1%
  o No Procedure/Staff = 1%
  o Other (Inspection, Hearing, etc.) = 12%
  o N/A = 5%
• Acceptable application payment types are listed in Graph E:

  o Cashier’s Checks (77%) are the most widely accepted type of payment.
Checks are the second most accepted payment option, making up 70% of payment types available.
- Money Orders make up 68% of payment types for all permits for businesses.
- Credit cards and debit cards are the least accepted payment types, only making up 33% and 16%, respectively.

- The location to submit a payment still heavily relies on in-person transactions, making up 88% of submission options for paying a permit fee. The following is a list of other submission options:
  - 64% through mail
  - 18% over the phone
  - 12% online
  - 7% not applicable

1.3.1 Findings & Assessments

Online Forms: Currently, 15% of all departments surveyed do not have their form(s) online. This basic upgrade can improve efficiency in fewer phone calls, in person visits, and/or emails by the applicant seeking the appropriate form(s). This problem was mostly resolved with the implementation of License 123 but the individual departments should still provide all of their forms online on their website.

Recommendation:
- All departments should provide their forms online
- Each department website should have a uniform location for “Forms”
- The “Forms” section/tab should be accessible with one click from the home page

Fillable Forms Online: Currently, 58% of the forms are not fillable online. By increasing the number of forms that can be filled out online, the department will be able to drastically reduce the amount of time staff spends performing redundant data entry duties. This practice also reduces the amount of paper used to print these forms and therefore, creating a more environmentally friendly process.

Example: Assessor/Recorder’s New Business Registration form is simple and straightforward. This form contains basic business and owner information, which is filled out by hand by the applicant, and then once received by mail or in person, it is inputted into the Assessor/Recorder’s system by 4214 clerks. Given the opportunity to fill out this form online, the redundant work of physically entering each form by the clerk can be easily eliminated.

Recommendation:
In order to truly automate this process, the following should be considered:
- Draft comprehensive directions on how to fill out the form
- Provide examples of what information goes where
- Draft extensive FAQ section and continue to enhance this document with applicant questions not addressed in initial list of questions and answers
- Create “knowledge base” for 3-1-1 to assist with answering questions regarding the form
- Form or website page containing the form should always provide clearly visible “contact us” information
- Allow option of printing physical form to be filled out by hand to accommodate ALL applicants

**Submit Forms Online:** Currently, only 7% of the forms can be submitted online. By increasing the number of forms that can be submitted online, the number of staff members who accept and process the forms will be reduced. This process can be considered even if forms are not fillable online through acceptance of scanned forms, which can then be processed by staff.

*Example:* Once again, using the Assessor/Recorder’s New Business Registration form as an example, upon completion of the form, it should be submitted online rather than the current process of mailing or delivering in person. The physical location of the office is also inconvenient for applicants because it is not at City Hall, where applicants submit other basic business registration forms. If a web intake form is set up with a database on the back end, the system will automatically capture the submitted fields of information and input the information into the proper fields in the database.

**Recommendation:**
- If fillable forms online are properly implemented, submission online is strongly recommended
- If the form is properly built to connect to a database where the applicant’s information is stored, redundancy in performing data entry duties will be eliminated
- Draft clear error messages and instructions on how to correct errors if the submission is unsuccessful
- Provide clear “contact us” information should the applicant have questions
- Allow option of submitting physical form to accommodate ALL applicants

**Points of Contact (POC):** Currently, 35% of the forms require 1-2 staff members to process (including but not limited to accepting, recording, entering, inspecting, and/or approving/denying) the form. These departments should consider reducing the two-person POC to one through the use of technology.

*Example:* The Street Artist program currently requires the program assistant and program director to process the application. If the application was fillable online and submitted online, the POC could be reduced to one. This shall free up the program assistant’s time to perform other duties.

The majority of the forms, 54%, are processed by 3-4 staff members. This creates an immediate opportunity to reduce the number of staff by at least one through the ability to submit forms online. If the forms can be routed to the appropriate decision maker, there is further opportunity to reduce the number of lower level staff spending time on intake of the form.

11% of all forms identified by the departments are processed by 5 or more staff members. There is opportunity to perform an initial analysis of the existing procedures. If there are forms that
can be provided online, made fillable online, and/or submitted online (as outlined in above sections), there will be immediate opportunity to free up staff from doing manual intake, data entry, etc.

**Prepopulate Basic Information:** For future consideration, if all systems from various departments are linked, an applicant’s basic information should be prepopulated into the forms once they have made contact with a single department.

*Example:* If the applicant of a restaurant completes a Business Registration Certificate form at the Treasurer & Tax Collector’s office, his/her basic contact information should be prepopulated by the time he goes to DPH, DBI, Planning, etc. This expedites the process for every department and eliminates room for error in collecting the applicant’s basic information.

**Smart PDFs:** Most permit applications found online are downloadable using PDF software. The transition to using Smart PDF as a department’s primary application software can be the easiest method to update permitting systems for business owners in San Francisco. With Smart PDFs, applicants are able to fill out the applications online, then submit the PDF directly to a department’s receiving server to process the data. The data is filtered, separated, and stored in a database where City employees are able to perform a number of other actions, such as generating reports, communicating with applicants, updating the PDF, and tracking an applicant’s information. The simplistic design and system can be a foundational step toward quickly advancing a department’s technological capabilities for a more enhanced user experience while vastly decreasing inefficiencies of paper applications.

1.3.2 Individual Department Findings
Along with the overall permit system findings, individual departmental analysis has revealed permitting and licensing processes of each of these departments within the City. The following is a breakdown of each department’s status, as well as any technology advances they are participating in:

- **Arts Commission:** Because there is only one permit issued to the business community from the Arts Commission, quick accommodations can greatly increase the efficiency of processing this permit. The online application options can include a fillable online form and the ability to submit the form on the Art Commission’s website. The fee associated with this permit can only be paid through check or cashier’s check. The Arts Commission should expand its payment options to include, cash, debit, and credit cards to provide more convenience to its constituents.

  - **Technology Advances:** There are no technology advances to report on from the Art Commission.

- **Office of the Assessor-Recorder:** All businesses must register their information with the Assessor-Recorder’s Office in order to open and operate in San Francisco. There is no fee associated with the Assess-Recorder’s New Business Registration form, and therefore, no payment recommendations are necessary. However, fillable online forms that can be submitted through the department’s website are highly recommended.
Technology Advances: There are no technology advances to report from the Assessor-Recorder’s Office.

**County Clerk:** If a business is using a fictitious name, it must be filed with the County Clerk. There is a fee associated with this filing and the County Clerk’s Office accepts a wide variety of payment options. To improve efficiency and customer service, we recommend implementing the ability to accept online payments. In addition to accepting online payments, fillable online applications that can be submitted through the department’s website should be available for all applicants.

Technology Advances: There are no technology advances to report from the County Clerk.

**Department of Building Inspection (DBI):** The Department of Building Inspection’s “permitting process is complex, involving many review items and requiring a high level of accuracy and completeness.” These permits vary in descriptions and purposes, thus making it difficult to instill uniform procedures to process permit applications. It is not possible to place every Department of Building Inspection permit application online because of the complexity of the submittal process However; we recommend that Building Inspection seek out more uniformity within their complex procedures to build a friendlier environment for applicants. Allowing online payment capabilities will also improve services drastically.

**Tech Advances:** The Department of Building Inspection, in collaboration with the Planning Department, is developing a tracking system using Accela software. This software seeks to use online tools to create a single portal for applications, registration bases, transparency to project statuses, and other open data efforts. The portal is expected to launch in late October-early November, 2013.

**Department of Public Health (DPH):** The Department of Public Health has 79 permits that apply to almost every major business category in San Francisco. A majority of the permit applications are available and fillable online. However, only 5% of permit applications can be submitted online. The Department also does not accept credit or debit cards as a payment option. Therefore, we recommend accepting applications and credit/debit card payments online to improve efficiency and provide better customer service.

**Technology Advances:** According to the Department of Public Health’s survey response, strides are already being made in making efforts to develop online applications, developing ability to take credit card payments, changing inspection database to become web-based, making inspection records more easily available to the general public, incorporating tablets so inspections will be more readily accessible to the public online, and implementing new Calif. Electronic Reporting System as required by Cal-EPA for reporting hazardous materials inventories.
- **Department of Public Works (DPW):** All applications from the Department of Public Works are available online, along with a variety of payment options for an applicant to use to pay for fees. Communication is strong between the department and applicant due to the variety of options the agency uses (email, phone calls, and mail). The simplistic layout and the usage of pictures to identify types of permits makes the DPW website extremely user-friendly. To make the permit application process even more efficient, our recommendations are to have applications that can be filled and submitted online.

  - *Technology Advances:* There are no technology advances to report from the Department of Public Works.

- **Entertainment Commission:** The Entertainment Commission is the most advanced City department in its permit application capabilities. Over 40% of the Entertainment Commission’s permits can be filled out, submitted, and paid for online, making it the most business-friendly amongst all City departments.

  - *Technology Advances:* Using FIS Global to process payments online, the Entertainment Commission has utilized their website to accept any permit payments electronically using credit/debit cards. The use of Smart PDFs allows their most popular permits to be filled out and submitted online.

- **Department of Environment:** The Department of Environment offers various business programs, incentives, and regulatory information that are mainly accessible through their website. The most important recommendation is to improve their website layout to make such information easily accessible to public users. A simple website layout that has minimal “clicks” to access important information will make the website more user-friendly. In addition, consistent communication methods and outreach efforts is highly needed for the Department of Environment to build stronger relationships with the business community.

  - *Technology Advances:* There are no technology advances to report from the Department of Environment.

- **Municipal Transit Agency (MTA):** The Municipal Transportation Agency has 12 permits that are each processed differently. Therefore, it is crucial for the MTA to have consistent communication procedures between an applicant and an individual from the agency is an important recommendation for MTA in order to have more standardized practices in contacting the business community with updates or inquiries. Furthermore, although most permit applications are fillable, having a submission online ability is needed to also enhance the agency’s permit application process. Also, having uniform payment types for all permits and including debit/credit card options (preferably online) can greatly improve efficiency between the agency and business community.

  - *Technology Advances:* There are no technology advances to report from the Municipal Transit Agency.
- **Office of Contract Administration**: The Office of Contract Administration has a process-heavy application for businesses seeking to do business with the City. Because of this, communication with the applicant must be standardized to have outline procedures. Email and phone communication is highly recommended of the Office of Contract Administration to have as a standard form of communication between their office and an applicant. Moreover, the website has clear procedures in applying as a vendor, but should have the ability to fill and submit all forms required to the desired departments an applicant wants to sell to online.
  
  - *Technology Advances*: There are no technology advances to report from the Office of Contract Administration.

- **Office of Labor Standards Enforcement**: Because their main regulatory item does not necessitate a fee and an online application is available, most of these recommendations do not apply to this office. The Office also has clear and open communication methods to business owners about these regulations and has clear information available for businesses online.
  
  - *Technology Advances*: There are no technology advances to report from the Office of Standard Labor Enforcement.

- **Planning Department**: Planning permits rely heavily on the Department of Building Inspection to process applications. Most applications Citywide are available online, while some can be filled online as well. Yet, online submission is still needed to progress the permit application process for applicants applying on the Planning Department’s website. In addition, payment options should include credit and debit cards for application fees. Furthermore, consistent communication methods are needed between department and applicants.
  
  - *Technology Advances*: Planning is collaborating with the Department of Building Inspection with their new permit tracking system using Accela software.

- **Fire Department**: SFFD has a very simplistic application procedure for business owners to apply for any permit they need. All permits are available online, yet could be fillable and have submission online capabilities. SFFD has a wide array of payment types available for applicants, and just need to expand this ability to their website for online users. Tracking numbers for an application can improve communications between applicants and department.
  
  - *Technology Advances*: There are no technology advances to report from the San Francisco Fire Department.

- **Police Department**: SFPD has an extensive process for each of their permits offered to the business community. Having all their permits reach 4-6 points of contacts and needing a number city agency to be involved with approving an application, SFPD should
seek to consolidate their processes wherever possible to alleviate the time and effort needed for each permit system. In addition, only accepting check or money orders for all payment types limits the ability for businesses to use easier and more accessible options to pay for fees. Accepting debit/credit cards and cash will boost the effectiveness of the permit system within SFPD. Adding online payment ability with application submission will enhance the effectiveness further.

- **Technology Advances:** There are no technology advances to report from the San Francisco Police Department.

**Public Utilities Commission:** The SFPUC maintains 3 regulatory items and 1 permit system for businesses to abide by, each one having different procedures to follow while monitoring a certain business. Therefore, the lack of uniformity within the SFPUC’s regulatory system is expected because of the different purposes each regulation fulfills. However, permits that require any immediate information to operate within the City should have an application that has the ability to be filled and submitted online, along with website payment submission.

- **Technology Advances:** There are no technology advances to report from the San Francisco Public Utilities Commission.

**Tax and Treasurers Office:** TTX manages the majority of the City’s licenses that requires annual renewals along with all business registrations within San Francisco. Every business must register with the City through TTX, and because of this, a majority of departments that require permit/licenses renewals are managed by the Office as well. Beyond this, TTX has 4 systems to sustain that involved businesses, the largest being the Business Registration Certificate. All of these permit applications are available online, but should have the ability to be filled, submitted, and paid for on their website. Also, uniform communication practices between the Office and applicant should be incorporated, especially the use of email and telephone.

- **Technology Advances:** The Tax and Treasurers Office is continuing to expand their ability to maintain all licenses within the City that necessitate a renewal each year.
2. BUSINESS OUTREACH SURVEY ANALYSIS

2.1 Introduction

The business community in San Francisco applies for any of the 203 permits analyzed by the Office of Small Business, and thus has a high stake when streamlining these permitting processes. Any alterations made to the permitting system will change the interactions between the City and small businesses. Allowing them to have a say with this streamlining process, the small business community can offer a different perspective beyond the bureaucratic viewpoints that may not consider some facets that local entrepreneurs face when applying for permits in San Francisco.

The Office of Small Business has created a business outreach survey to quantifiably record the San Francisco business community’s feedback on how to improve our permit systems along with the opportunity to endorse potential modification that the City is currently circulating among departments. The business outreach survey reaches the most active entrepreneurs and community leaders in San Francisco and asks about their experiences with the permitting system and potential technological enhancements the City may participate in. The main purpose of this survey is to monitor the demand for streamlining our permitting system for businesses, observe procedures that positively impacts owners, and improve processes within the permitting systems that are most troublesome to the community.

Measuring the demand of the business community of San Francisco, the business outreach survey will provide a strong communication link, as this is the first mode of contact with local business owners about the City’s streamlining efforts. Provided there be positive feedback on improving the entire permitting system for the City and a high demand for more technological advances, the business outreach survey can be a strong foundation on progressing our streamlining processes within San Francisco’s permitting systems.

2.2 Methodology

Our main target for this outreach survey was small businesses active in the San Francisco community. The Office of Small Business has reached out to over 100 business organizations and merchant associations to participate in the outreach survey, along with sending it out to their membership/clientele. These groups received two surveys; one regarding the interactions between small businesses and their organization concerning permits/licenses, and the other involving a businesses’ interface with the permitting system. Surveys were also translated into Spanish, Chinese, and Vietnamese versions. The following is a survey breakdown of questions asked on both organizational and small business outreach surveys:

<table>
<thead>
<tr>
<th>Organizational Survey</th>
<th>Small Business Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What is the name of your business organization and what does it do?</td>
<td>1. How long has your business been in operation?</td>
</tr>
<tr>
<td>2. How long has your business organization been in operation?*</td>
<td>2. What type of business do you run (if you know your NAICS code please add it)?</td>
</tr>
<tr>
<td>3. What is the name of your business organization and what does it do?</td>
<td>3. How long has your business been in operation (specifically)?*</td>
</tr>
<tr>
<td>Question</td>
<td>4. Which departments were you required to obtain permits from/ pay fees or taxes when opening your business?***</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>4. Does your minority/immigrant clients have more difficulties navigating through the permitting process when opening their business?</td>
<td>5. How confident are you that you have all permits necessary to operate your business?*</td>
</tr>
<tr>
<td>5. How will you rate the current permit, licensing, and registration processes opening a business here in SF?*</td>
<td>5. How confident are you that you have all permits necessary to operate your business?*</td>
</tr>
<tr>
<td>6. Could you elaborate why you rated the current process with what you selected?*</td>
<td>6. When opening your business, how long did it take for you to receive all your permits?*</td>
</tr>
<tr>
<td>7. How confident are you that your clients (once done with your program) obtain all permits necessary to operate a business?*</td>
<td>7. Which departments did you receive excellent service, strong communication, and, from your determination, “no delays” in processing your application/permit?***</td>
</tr>
<tr>
<td>8. In general, how long does it take for a FOOD/RESTAURANT client of yours to receive all their permits necessary for them to open?*</td>
<td>8. Which departments did you receive less than adequate services from?***</td>
</tr>
<tr>
<td>9. In general, how long does it take for a NON-FOOD/RESTAURANT client of yours to receive all their permits necessary for them to open?*</td>
<td>9. What are your top three departments you had the most difficulties with when opening/operating in San Francisco and why?</td>
</tr>
<tr>
<td>10. Which department do you work with the most with your clients?***</td>
<td>10. Once completed all permitting approvals, how long does it take to receive your certificate of operation?**</td>
</tr>
<tr>
<td>11. In general, how long does it take for a NON-FOOD/RESTAURANT client of yours to receive all their permits necessary to continue operating?*</td>
<td>11. How will you rate the current permit, licensing, and registration system here in SF?*</td>
</tr>
<tr>
<td>12. In general, How long does it take for a FOOD/RESTAURANT client of yours to receive all their permits necessary to continue operating?*</td>
<td>12. If rated fair or poor for question 10, why?**</td>
</tr>
<tr>
<td>13. In what ways can the City help make the permit process more efficient for businesses?**</td>
<td>13. Of the three choices, what is the biggest issue with the permit process of the City?*</td>
</tr>
<tr>
<td>14. What are your top three recommendations for streamlining the permit processes for businesses to open/operate in San Francisco?</td>
<td>14. In what ways can the City help make the permit/license process more efficient for businesses?***</td>
</tr>
<tr>
<td>15. What does an online business portal mean to you?</td>
<td>15. What are your top three recommendations for streamlining the permit processes for businesses to open/operate in San Francisco?</td>
</tr>
<tr>
<td>16. What does an online business portal mean to you?</td>
<td>16. What does an online business portal mean to you?</td>
</tr>
<tr>
<td>17. If an online business portal was available, would you have used it when opening your business?*</td>
<td>17. If an online business portal was available, would you have used it when opening your business?*</td>
</tr>
<tr>
<td>18. If you are a minority owned business, does your minority/immigrant status make it more difficult running a business? Please list the reasons.</td>
<td>18. If you are a minority owned business, does your minority/immigrant status make it more difficult running a business? Please list the reasons.</td>
</tr>
<tr>
<td>19. Do utilize any programs with the City? If yes, please provide the names of the programs.</td>
<td>19. Do utilize any programs with the City? If yes, please provide the names of the programs.</td>
</tr>
<tr>
<td>20. Are there any other issues/stories you would like to highlight?</td>
<td>20. Are there any other issues/stories you would like to highlight?</td>
</tr>
</tbody>
</table>

*Multiple choice questions  
**Checkbox type questions

Our methodology in analyzing business participants consisted of tallying all survey responses together, formulating percentages to quantifiable answers, and classifying data sets into graphs or charts. Because questions that asked for written answers are more difficult to classify, the findings are relevant to the multiple choice and checkbox type questions. In addition, the findings highlight the most relevant questions that immediately impacts businesses’ interactions with the City’s permitting system.
Checkbox responses are tallied by the number of times the options provided were selected. A respondent can select multiple options at one time, and thus a percentage would not be relevant in this kind of question.

Multiple choice responses are tallied through percentages since respondents can only select one of the options available.

2.3 Findings

Key findings in the Business Outreach Survey are as follows:

- The business/business organizations make-up that participated consisted of the following:
  - Operating under 5 years were 49% of responses (24)
    - 0-6 months = 4
    - 1-3 years = 14
    - 3-5 years = 6
  - Operating over 5 years were 51% of responses (26)
    - 5-7 years = 6
    - 7-9 years = 5
    - 10+ years = 15
  - Organizations make up 13% (6)

- Businesses picked which departments provided excellent and inadequate services when approving/denying their applications for the necessary permits they needed to operate. The following is a itemization of those responses:

<table>
<thead>
<tr>
<th>Department</th>
<th>Excellent Services</th>
<th>Inadequate Services</th>
<th>Percentage (Excellent/inadequate Service)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Health</td>
<td>13</td>
<td>7</td>
<td>65%/35%</td>
</tr>
<tr>
<td>Public Works</td>
<td>1</td>
<td>4</td>
<td>20%/80%</td>
</tr>
<tr>
<td>Municipal Transit</td>
<td>1</td>
<td>2</td>
<td>33%/66%</td>
</tr>
<tr>
<td>Fire</td>
<td>9</td>
<td>5</td>
<td>64%/36%</td>
</tr>
<tr>
<td>Police</td>
<td>5</td>
<td>3</td>
<td>63%/37%</td>
</tr>
<tr>
<td>Contract Admin.</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tax and Treasurer</td>
<td>23</td>
<td>14</td>
<td>62%/38%</td>
</tr>
<tr>
<td>County Clerk</td>
<td>12</td>
<td>2</td>
<td>86%/14%</td>
</tr>
<tr>
<td>Arts</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Entertainment</td>
<td>1</td>
<td>1</td>
<td>50%/50%</td>
</tr>
<tr>
<td>Public Utilities Com.</td>
<td>2</td>
<td>3</td>
<td>40%/60%</td>
</tr>
<tr>
<td>Assessor-Recorder</td>
<td>5</td>
<td>5</td>
<td>50%/50%</td>
</tr>
<tr>
<td>Planning</td>
<td>5</td>
<td>3</td>
<td>62%/37%</td>
</tr>
<tr>
<td>Standard Labor</td>
<td>1</td>
<td>3</td>
<td>25%/75%</td>
</tr>
<tr>
<td>Environment</td>
<td>0</td>
<td>3</td>
<td>0%/100%</td>
</tr>
<tr>
<td>Building Inspection</td>
<td>5</td>
<td>13</td>
<td>28%/72%</td>
</tr>
</tbody>
</table>
• Only 10% of businesses rated the citywide permit system as “Excellent”, while 24% graded it as “good”. A combined 66% of businesses rated the current permit system as “Fair” and Poor”. Graphs F & G are breakdowns on how businesses rated the current permitting system of the entire city:

![Graph F: Business Ratings on Citywide Permit System](image1)

**Graph F: Business Ratings on Citywide Permit System**

- Excellent: 10%
- Good: 24%
- Fair: 32%
- Poor: 34%

![Graph G: Combined Business Responses on Citywide Permit System](image2)

**Graph G: Combined Business Responses on Citywide Permit System**

- Excellent and Good: 34%
- Fair and Poor: 66%

• 48% of businesses say that the amount of time it takes to process permits is the most troublesome aspect with the citywide permitting system. Graph H is a breakdown on where businesses feel the most difficult aspects are in the Citywide permitting system (Please note that business organization responses are not recorded within this answer):
• “Bureau Delays”, “Lack of Communication”, and “Lack of Understanding Small Business Needs” were top reasons why businesses rated the permitting system “Fair”, or “Poor”. Graph I is a breakdown of other difficulties businesses experience and reasons why respondents rated the permitting system as “Fair” or “Poor”:

![Graph I: Number of Chosen Reasons for "Fair" and "Poor" Ratings from Businesses](image)

- Businesses overwhelmingly chose a “one-stop online portal” and “List of specific permits to businesses” as methods to improve the permitting system. Graph J is a breakdown of the number of methods chosen by businesses to improve the current Citywide permitting systems:

![Graph J: Breakdown of Methods Chosen by Businesses](image)
Not including business organizations, 84% (or 37 respondents) agreed that they would have used a one-stop online business portal, while 12% (or 5 respondents) were unsure. Only 4% (or 2 respondents) said they would have not used such a portal if it was available.
3. Department Website Assessment

3.1 Introduction

Department websites are the technological forefront of the City’s interface with the small business community. The location of permits, information, and other resources to be made available to every type of user are critical components for a public website to have. In lieu of San Francisco’s streamlining efforts, the Office of Small Business analyzed 16 departments’ websites, all of which participated in the same permit survey outlined before. In order to properly identify the strengths, weaknesses, and areas of improvement for each website, the Office of Small Business applied a criterion of six characteristics of what a public-user-friendly website should have, as well as their own “business-friendly” checklist.

3.2 Methodology

3.2.1. The University of Bremen Website Criteria

The University of Bremen is an “elite university” located in Bremen, Germany that is the science center of the country. Specializing in most fields in science, the University of Bremen has a strong intersection between political science and technology and has recently produced a manual named “Quality Criteria for a Public-User-Friendly and Secure Website”. The authors of this manual have offered a check list of characteristics they deemed as important for a public website portal to have that is user-friendly. Some of their check list questions have been filtered to apply for more specific criteria that can apply to all of the departments’ websites. The following characteristics were the format for each question asked in the criteria:

1. **Accessibility**- The first and most important characteristic for a website to be user-public friendly is the openness and availability it has online. Users must have a simple and efficient pathway to find and locate all necessary components of their research. Websites must accommodate all necessities of the user in order for information to be reachable to the public.

2. **Compatibility**- Understanding new technology can be difficult for most public users. Providing a simple layout and information to a user should be a top priority for a website to function for the public.

3. **Performance**- Understanding the content of the website itself, and working efficiently with the functions available is important to have for a public-user-friendly portal. Making sure that all the functions work properly and efficiently creates a respectable tool for users to have at their disposal.

4. **Navigation**- The website should have an easy pathway to all functions and information that the user may need in order to help him/her. Supportive and functional tools should be easy to locate and accessible to the user.

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Component 3: Website Assessment  
Small Business Commission & Office of Small Business
5. Information- Providing basic information about the website and answering a user’s question the best way possible is what a quality public portal has. Substantive, in-depth, and specific data that can answer a variety of questions a user may have is significant; the less necessity for the user to find his/her data elsewhere, the better the public website is.

6. Communication- Having access to a contact person or people offers comfort to the user, in that the agency is dedicated to listening and aiding him/her. Helping them find the data they are looking for, along with providing an option to have their say in a website gives a user the ease in knowing they will be helped.

Each question about a characteristic is formatted in yes/no form. Yes gives them a point for having a quality or function, while no gives them none. The total points out of the set of questions are their grade for fulfilling that characteristic. Tallying up all the points, the criteria will place them in a ranking order (numbers 1-12) from best website for small businesses available to least, with averages available of each department in a certain characteristic. The specific questions will be available in order of the abbreviated versions on the spreadsheets. An analytical description score is available as well, from a personal user experience without using a set criterion.

3.2.2. Office of Small Business Website Criteria

The Office of Small Business devised a website criteria using more business-friendly foundations to appropriately score each department’s websites. This section will be more descriptive than analytical/statistical in order to provide a more precise explanation of the strengths/areas of improvement websites have for each department. The following is a list of tenants that will be answered through an in-depth descriptive analysis as part of this website assessment:

- Identify target audience: For residents, for businesses, etc.
- List permits with clear definition and fee (ideal if user can navigate here with less than 3 clicks)
- Links to forms (ideal if forms are Smart PDFs that can be submitted online)
- Define application process with highlighted due dates, where and how to submit, where and how to pay, forms of acceptable payment (ideal if department accepts online payment)
- Link to 311 and OSB

These are the determining factors on how a website can be “business-user-friendly” in regards to its permitting sections within a website. The analysis will be described within the context of a small business user navigating through a department’s website for necessary permits he/she may need to open and operate their business within San Francisco. Using the scope of the 5 tenants listed above, the description will answer how “business-friendly” a department’s website is, while giving analytical breakdowns of the layout and performance of a permit’s webpage.
3.3 Findings

Some key findings from the criteria under the University of Bremen’s Website Criteria are as follows:

- The San Francisco Police Department’s website had the highest score among departments, having perfect scores in accessibility, navigation, information, and communication. Of the total of 42 qualities that a perfect public website that applied, the SFPD website has 88% fulfilled. Areas of improvement to attain a perfect public website are: Having a glossary of complex terminology, an online payment function, and a suggestion feedback option for the site. Although a forum would be difficult to monitor for the SFPD, it would improve their communication greatly for small businesses wanting to talk about improvements in the permit processes.

- San Francisco Department of Building Inspection website came in the number 2 ranking, only off by 2 points from the SFPD. Of the 43 qualities that applied to the Planning Department’s website services, their website fulfilled 83% of the functions. Besides installing a glossary, payment, and feedback/forum functions, having a text-based option and a newsletter will significantly increase their compatibility and communication score.

- Finding the average and mean of all department score per section, the Office of Small Business was able to develop a citywide score to see where our website standings are in fulfilling these six characteristics.

  - Tallying up the points scored from all the departments over the maximum points for each section, we developed an average citywide breakdown of each characteristic and how they rate. A score below 50% will be marked “Below Average”, between 50%-59% is “average”, from 60% to 79% is “above average”, and a percentage 80% or above is “high above average”

  - San Francisco scored highly with “navigation” and “information”, having a 92% and 84% respectively. “Accessibility”, “compatibility”, and “Performance” scored above averaged when all points were tallied as well.
  - The main concern is the “communication” within websites, barely scoring “average” with a 51% rating. All websites must develop stronger communication qualities for users to have access to, specifically those who apply for permits in the small business sector.
  - The most common scores with the highest percentage was the “Navigation” characteristic, where 11 out of the 16 departments scored a perfect 100%. The lowest most common score was the 50% and 60%
projectiles in the communication section, with 8 out of the 16 departments having one of these two scores.

<table>
<thead>
<tr>
<th>Categories</th>
<th>Averages</th>
<th>Means</th>
<th>Citywide Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessibility</td>
<td>92/124=74%</td>
<td>87.5%, 62.5%</td>
<td>Above Average</td>
</tr>
<tr>
<td>Compatibility</td>
<td>54/80=68%</td>
<td>80%</td>
<td>Above Average</td>
</tr>
<tr>
<td>Performance</td>
<td>76/93=82%</td>
<td>66%, 83%</td>
<td>High Above Average</td>
</tr>
<tr>
<td>Navigation</td>
<td>119/128=92%</td>
<td>100%</td>
<td>High Above Average</td>
</tr>
<tr>
<td>Information</td>
<td>81/96=86%</td>
<td>83%</td>
<td>High Above Average</td>
</tr>
<tr>
<td>Communication</td>
<td>83/160=51%</td>
<td>50%, 60%</td>
<td>Average</td>
</tr>
</tbody>
</table>

Out of the six characteristics outline from the University of Bremen’s “Quality Criteria for a Public-User-Friendly and Secure Website” manual, San Francisco scored above average for 5 out of the 6 areas. “Communication” within the City’s websites has the ability to improve vastly through fulfilling the following qualities for this characteristic, especially for the small business community:

1. Having a general and individual/division contacts available within a department’s “Contact Us” section, and providing a point person’s contact information to answer any permit questions.

2. Providing a feedback section on website areas that need to be improved on.

3. Having newsletters available for users who want to be up-to-date with current happenings for each department.

In addition, other qualities can increase scores to higher levels if the following adjustments can be made for department websites:

1. Having a Google translate, or some type of translation function available for all websites.

2. Supporting a text-based option for users with slower internet connections or browsers.

3. Providing an “Organizational Chart” to properly navigate and identify which contact is the most appropriate for a user’s reference.

4. Having a payment option available for users submitting an application.

5. Possessing a disability access function.

In promoting a better technological environment for the business community, satisfying these six characteristics give users the best interface experiences and the most reliable tool for efficiency and comfort. But even if all department websites fulfilled these characteristics, the task of going to every department’s website that is necessary to open and operate a business takes a tremendous amount of time and effort for the user.
This website assessment illustrates the demand for an all-in-one online business portal to cut the service upgrades needed for all department’s websites. Instead of pushing all departments to upgrade their websites to better fulfill these six characteristics, an online center of small business resources will significantly increase the reliability of City interactions, and cut down the time and effort users may put in applying for permits with a given department.

Some key findings from the criteria are as follows under the Office of Small Business’s Website criteria are as follows:

**Arts Commission**: Because there is only one permit, the fee is listed as "the certificate’s (license) fee is $166.02 quarterly (this is for 3 months), or $664.08 for one year. Certificates will be issued after the screening approval “only if all documents required are presented by the street artist." The webpage could have a more vivid design to highlight this point and the page was not reached in less than 3 clicks. The page does describe instructions and processes with a simple PDF link to the actual application. There are no links to 311 or the Office of Small Business.

**Assessor-Recorder**: Business Property taxes and other registrations can be found on a webpage that lists them all through links. There are fee prices listed on this page for any registration. The application is available on a simple PDF or electronic File. There are no specific processes outlined for each application process. The FAQ is available through a link, but is very difficult to read using professional terminology and small text.

**County Clerk**: The registration for a fictitious business name identifies businesses as their target audience. Fees and permits are listed as links under the Fictitious Business Name Section of the website. The application is available on a Simple PDF. The descriptions of the process are located separately from the application. The application is under form section, while description of process is still under the Fictitious Business Name Section. The website lists 311 and a link to License 123 on the homepage.

**Department of Building Inspection**: Permit services mainly target businesses or residents that are doing any heavy construction. Permits are listed under forms and handout sections, whereas permits for contractors can be done online. Fees are difficult to read and measure for each permit required. The applications are available on fillable PDFs or through online applications. There is a large database for the organizational aspects of permitting, but little to no information about the processes behind approving/denying a permit. Instructions are difficult to find for each permit. The webpage lists 311 but nothing on OSB.

**Department of Public Health**: The permit section does not target any audience. Permits and licenses are simply listed on the website once clicked upon through the drop down menu on the homepage. Once a specific permit/area of business is selected, permit application and fee can be found within that page. The applications are available on fillable PDFs and online applications. Once a specific permit/area of business is selected, all information and processes are clearly outlined, along with PDF information. Fee schedule is somewhat difficult to find. There are no links to 311 or OSB.
**Department of Public Works:** The website identifies both residents and businesses on top of permit page. The webpage lists all permits applicable with picture icon to easily identify a specific permit users may be looking for. The applications are available on Simple PDFs. Once a specific permit is selected, the information and process are then listed and instructions are clearly outlined. Fees are highlighted as links within instructions and are easy to understand. The webpage lists 311 but nothing on OSB.

**Entertainment Commission:** The permit section does not identify a targeted audience, but it is implied that it is for businesses. It is difficult to find the permit page because it is labeled as "Documents", and in that webpage there is a section on permits. This should be renamed "Permits and other documents". Fees can also be found here in a simple Matrix, and can be paid online. The applications are available on Smart PDFs. FAQs only describe how to apply to certain permits. However, most permits have instructions that describe terminology and details of processes behind permit application. The webpage lists 311 but nothing on OSB.

**Environmental Department:** Green Business Program implies the audiences are businesses, but other regulations are very difficult to find and identify an audience. Green Business Program has its own separate website from SF Environment, and cannot be clicked on from the homepage. Online applications are located in a fourth website. There should be a link to this page, along with other regulatory item information within this website to promote more awareness of regulations for businesses. Methods of processing an application with instructions are available on website, but take too long to reach the forth website for it to be convenient. There are no links to 311 or OSB.

**Municipal Transit Agency:** Permits only identify residents; businesses are identified only within the FAQs. If a business may require an application, they will need to file the resident permit application. Fees are highlighted within permit section. But permit applications are difficult to find due to website's layout and design. Looking for the correct link through paragraphs of information is unfriendly to user. The applications are available on Simple PDFs. Parking permits for businesses have clear instructions and highlighted processes for specific circumstances, but this entire section is very difficult to find, especially if a user is starting from the homepage. There are no links to 311 or OSB.

**Office of Contract Administration:** "Vendors" are clearly outlined, and implies targeted audiences are businesses. Permits and fees are outlined in PDF package, but link to packet is difficult to find since it is at the very bottom of "Vender Opportunity" under "Qualify to do Business with the City". The applications are available on Simple PDFs. Application information and process is outlined in detailed under vendor information section. The webpage lists 311 but nothing on OSB.

**Office of Labor Standards Enforcement:** Identifies targeted audiences as Employers and Employees. There are not permits or fees under this Office. Information packets and registrations are available in Simple PDFs. Complete list of business regulations are listed with links to webpages that has more details about rules and instructions. Any applications or documents are PDF. The webpage lists 311 but nothing on OSB.
Planning Department: Residential and Commercial (Business) audiences are clearly separated in two columns within the permit section. Permits and fees can be found under highlighted links within PDF packets that also hold instructions for users. The applications are available on Fillable PDFs. Processes and instructions can be found within each permit packet rather than a webpage, given the category of business or particular permit a user may be applying for. More information is still available on website for particular permits. There are no links to 311 or OSB.

San Francisco Fire Department: The audience is not targeted nor implied within the permit webpage. An application for a particular permit is difficult to navigate because each title is only listed, and does not give any definition or details behind process. There is only one universal form. Same is applied to fee schedule. But, permit section is easy to find from homepage (Dropdown menu under services). The applications are available on Simple PDFs. Instructions are found on separate PDFs, different from permit webpage and permit application. But instructions are somewhat difficult to understand in relations to the permit sample and explanation of each section on the form. Process details are minimal on webpage. There are no links to 311 or OSB.

San Francisco Police Department: The audience is not targeted nor implied within the permit webpage. List of permits (or titles to apply for) within permit section is difficult to find because of the separate links used to identify the universal application and list. Fees/ Fee schedule is extremely difficult to find, and is only located on a separate PDF within the permit application section. The applications are available on simple PDFs. Instructions are found in links and PDFs, but are very simple and have little information for applicants. Processes behind permits are nowhere to be found in webpage. The webpage lists 311 but nothing on OSB.

Public Utilities Commission: Business section holds most permits related to PUC, and thus target audience is implied. Permit and fees can be found through links available with picture icons from business section of PUC website. The applications are available on fillable PDFs. Instructions can be found on separate link from webpage and application, with clearly outline details on what a user should fill in. Processes can be found on webpage. There are no links to 311 or OSB.

Tax and Treasurer: Business section holds most permits related to TTX, and thus the target audience is implied. Permit and fees can be found though links under sections that explain particular actions (i.e. "Business Registration"). The applications are available on simple PDFs. Application information and process is outlined in detailed under business registration section, along with other regulations. The webpage lists 311 but nothing on OSB.
4. JUSTIFICATION FOR COMPREHENSIVE AND INTEGRATED ONLINE PLATFORMS AND TOOLS

4.1 Introduction

The current permitting system of San Francisco necessitates a massive technological overhaul in order for interactions between the City and businesses to be efficient and effective. Few departments have started technological developments for their permit application portals online. These best practices among departments have outlined the City’s website abilities and foundations for progressing our permitting systems. Indirectly following their processes, set ups, network, and other advances within a department, our streamlining can be greatly enhanced to establish a strong online portal for the business community.

In addition to tracking departmental best practices through technological advances, observing NYC Business Express and their methods in developing their online portal will also be included in the best practicing section to justify innovative online platforms and tools. Among cities, New York City has far surpassed its competitors with streamlining business permits. NYC Business Express’s key features enable an organized pathway for potential entrepreneurs exploring their business ideas while having a large number of permit exploration options. As we observe the development from beginning, middle, and end, NYC Business Express has the ability to heavily influence the way San Francisco conducts its citywide permit streamlining.

The new licensing platform from the Office of Small Business called “License 123” has made great strides in initiating a streamlining process for the entire permitting system. Mapping out each permit to most business categories within the City has laid a foundation for the continual streamlining that must happen in order to perfect City-business interactions in regards to governmental oversight and commercial operations. License 123 will be included in our best practices analytical breakdown to illustrate the strengths and pinpoint necessary advancements to make this online tool stronger and more efficient.

Lastly, the short term technology/permit recommendations will provide a framework on how to go about the more immediate developments for durable and long lasting effects from our permit streamlining. These recommendations touch upon chances to consolidate individual permits, finding procedural redundancies in the application process, and finding software resources to utilize for more integrated online platforms and tools.

4.2 Best Practices for Online Platforms and Tools

- **Entertainment Commission Smart PDF applications forms/ Online Payments:** (Applications that can be filled out, submitted through, and paid for online) The Entertainment Commission has accelerated their website to include online applications and payment systems. Using Smart PDF’s through “Nuance”, the application can be filled out through a downloadable form, and then submitted via internet to the Commission’s database. Then, an applicant can pay for the application using the payment system provided by “FIS Global” through using their own website. There is a 2.7% interest change per transaction along with the costs of the permit application fee.
- **DBI Tracking system with Accela**: (Application tracking for permits that are processing) The Department of Building Inspection, with Accela software, is currently developing a permit application tracker for their applicants. Using their “Citizen Access” one online portal, applicants can apply online, track applications, and use other “collection” features such as past reports and projects around their area. It will also have AGIS search ability, along with their “Automation” software for City employees.

- **Planning website developments and permit packets**: (Organized all in one permit information and interactive map capabilities) Having the most common, yet complex permits for major business categories, the Planning Department of San Francisco has made easy-to-access permit packets that have downloadable, all-in-one information and applications for users to gather and utilize. These packets have readily available information that is directly related to the permit, its processes, and purposes businesses may need to understand while applying. In addition, their online zoning map provides paramount information on zoning information with an interactive mapping tool for every property located in San Francisco. After inserting an address, the mapping feature locates and highlights property lines with data provided about the zoning, neighborhood, history, and other information that could be of value to a business owner.

- **DPW simplified website navigation**: (Large photo icons to easily navigate through residential/ commercial permits) The Department of Public Works’ website has established an easy-to-navigate layout for users to quickly identify and access the necessary permits for users to apply for. The layout has photo icons that relate to the permit’s purposes, along with sections for only residents, businesses, or both. Once clicked, the web page then has all current information about the description and process of the permit applications, along with instructions for users to either read off the page or download for their own reference.

- **TTX Licenses Renewals**: (consolidated center for yearly licenses renewal for businesses) Because all businesses in San Francisco must renew their business registrations with the Tax and Treasurer’s Office, the department has made an effort to absorb other City agencies’ licenses renewal responsibilities so owners can have one access point to pay all yearly fees. Their online payment feature for these licenses renewals also provide an efficient technological portal for business owners to utilize.

### 4.2.1. NYC Business Express

In 2005, the initiative to map out the licenses, permits, and registrations for restaurants in the New York City area, through a website was the initial step for streamlining. Mapping the permits for this large business category took two years, along with developing a wizard that allowed users to answer specific questions that directs them to the proper licensing procedures they would need to start-up and/or operate a restaurant. With this complete, a major reset phase was set to incorporate more businesses into the same website that independently functioned from the other NYC Business websites. The wizard was the most helpful feature for small business entrepreneurs, incorporated new business categories that were being developed between 2008...
and 2010. The same year the wizard was complete, NYC Express was created, which also included a business categorical index and incentive tool feature.

The most expensive component of developing NYC Express was obtaining a developmental team consisting of business analysts to research, gather, map out, and analyze every business permit from each department throughout the City. Using outside consultants to complete this task, NYC Express was a time-consuming and expensive effort, taking 4-5 years to develop the online portal and costing $35 million. One of many factors that contributed to this was the lack of departmental cooperation, which stalled major constructs of this portal from being completed. This was due to the constant change of administrative leadership that set different priorities over the NYC Express site.

Learning from New York City, we concluded that three major features needed for our permit streamlining were the following:

1.) Comprehensive understanding of each and every permit, license, registration, certificate, regulatory item, and program along with the procedures of processing related to the business community of San Francisco.
2.) Department cooperation and reliable points of contact to transmit all permits pertaining to business and with their processes.
3.) Strong mayoral support to facilitate compliance in order to continuously push the effort of gathering, researching and analyzing all of the City’s business permits systems.

4.2.2. New York Acceleration Business Team (NBAT)

Starting as a pilot to address restaurant permitting procedures, serve as a business service center, and streamline NYC Express further, NBAT was created in March 2010 (6 months after NYC Express) to centralize key departments and track licensing applications more efficiently. NBAT gather inspectors and other City employees involved with permitting procedures for restaurants. Under the New Business Acceleration program, every application for a new restaurant is assigned a case manager who guides the restaurant owner through the entire process. The case manager is on hand to make sure every restaurant owner navigates the permitting process as efficiently as possible. Inspections are conducted by a coordinated team of inspectors from the Department of Buildings, the Fire Department, the Department of Environment Protection and other relevant agencies. As a result, the process is streamlined and more efficient, and a fire safety inspection that in the past might have taken more than a month to schedule and complete, for instance, now only takes a few days. Users can also apply for plan examinations and site assessments for businesses requiring substantial rebuilding efforts. Users from NYC Express that are applicable would be taken to NBAT, and fill out information for their specific permits.

The ability to schedule an inspection online and inspectors would update any information related to the permit application to their departments. This would be transferred to their legacy systems (DEEP) and salesforce would update that information on their server for users. All new restaurants in Manhattan are required to participate in NBAT, and have expanded as an option to
all five boroughs in NYC. NBAT has already helped retailers and private contractors with similar online processes.

Statistics:

- Since its launch up to January 3, 2012, NBAT assisted 546 new restaurants
  - Created 6,012 new jobs
  - Open businesses on average 72 days sooner than standard procedures
    - Opening restaurants 2 months sooner ➔ $9 million additional tax revenue and $50 million in additional sales tax revenue
- Case Studies
  - Café China (Manhattan, NY; 55 seating area): Inspected and permitted by Department of Health, Environment, and Fire; created 10 new jobs and opened 42 days sooner than average.
  - Taco Tulcingo (Queens, NY; 68 seating area): Inspected and permitted by Department of Health, Environment, and Fire; created 7 new jobs and opened 107 days sooner than average.
  - Red Rooster (Manhattan NY; 160 seating area): Used accelerated plan review process, created 60 new jobs, and opened 65 days sooner than average.
  - Sonny’s Gourmet (Staten Island, NY; 12 Seating area): Inspected and permitted by Department of Health, Environment, and Fire; created 8 new jobs and opened 42 days sooner than average.

4.2.3. Boston Business Hub

Although the Boston Business Hub web portal also has a business wizard like NYC Express, their focus has been more on internal improvements in responding to constituents, and approving applications more efficiently. Their Boston Business Hub has centralized key permitting information and has similar features in relations to NYC Express and the online wizard. All venues of inquiries (phone, email, walk-ins, online submissions) are recorded on Salesforce software and created as a cases for users and employees to reference. This software has the ability to generate performance and informative analytics like numbers of jobs created, business opened, and other critical data when recording the status of the business development in Boston.

Statistics:

- Since the Hub’s launch, Boston has seen a 40% productivity increase in their Office of Business Development.
- In addition, the City of Boston has reduced its response time to business inquiries from 7-10 days to 2 days (maximum) with an average of 1.5 days.
- Further, 25-30% of business inquires come from the Boston Business Hub. Reports of a lower number of constituent inquiries has been recorded, along with Boston’s business case managers taking more complicated cases then spending time on simpler ones.
4.2.3. License 123

The Office of Small Business has recently launched License 123, a permit listing online system that offers users a quick list of permits according to their business category of their choosing. Mapping every major business category in San Francisco according to the permits, users can select their business type online, and register their emails to access every permit application necessary to open and operate their business. Users can also find the estimated fees for each application, and have the ability to download each form to their computer. “In addition to City and County of San Francisco forms, there are 204 State of California forms and 100 Federal forms related to various business types. License 123 currently offers information on 258 unique types of businesses across 19 industries.”

This online permit platform is a highly innovative resource for the business community, and has recently been recognized by the Public Technology Institute in their 2013 Technology Solution Awards as a “Significant Achievement” in their “Web, E-Government, & Mobile Award” category. License 123 has already made streamlining breakthroughs in the San Francisco business community, and can be furthered advanced in adding more features and more efficient methods in providing users a one-stop online business portal.

4.3. Short Term Permit/Technology Recommendations

- **Permit Consolidation/Redundancy Assessment:** Because of the information attained from the Departmental Permit Survey, finding opportunities to consolidate similar serving permits and reduce procedural redundancies can be made through an assessment of each department’s permitting system. This assessment can be better analyzed through breaking down each permitting system while creating an online platform that dissects, examines, and implements each procedure behind approving or denying permit applications. This assessment will outline each department’s permitting systems with recommendations from simplified permit mapping analysis and areas for efficiency improvement. Understanding each permit system process in full detail will make this a valuable assessment for departments to apply these recommendations for more proficient and effective permitting procedures. Thus, intensive research within department’s permit divisions will pinpoint key areas to streamline, while obtaining a comprehensive interpretation of the agencies practices.

- **Software Demo Analysis:** With department’s technology advances to develop their own permit systems increasing, the necessity for software resources to accommodate the demands of the permit streamlining is increasing. Researching which technological tools, businesses, software, equipment, and other resources have the abilities to aid the business community process permits more efficiently and overall improve the interactions between them and the city, this analysis will provide a pathway for more innovative advances. In addition, chances to consolidate services and interfaces using technology can be made through this analysis as well.

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6 San Francisco Mayor’s Office of Communication “Mayor Lee Announces Online Tool To Help Entrepreneurs and Businesses Start, Grow, and Stay in San Francisco”; February 13, 2013, pg. 1-2
• **Business Permit Mapping:** Mimicking the processes in building License 123, the one stop portal will need extensive details of any business category that is established within San Francisco. This mapping will include any and all permits related to a business category, as well as outline specific circumstance or situations to accurately respond to any needs a business may need to operate. Mapping out all business categories according to their permits will procure clarifying analysis and foundational information in discovering redundancies and opportunities to consolidate similar serving licenses. In order to complete this process, intensive steps at observing and taking apart complex permitting procedures is necessary time-consuming progression that can only be done with advance streamlining efforts. Building this one-stop will provide the essential analysis to enhance this business permit mapping and deliver critical components to solidify the completion of the online portal.

• **Development of Customer Service Standards:** In response to the development of streamlining processes for more efficiency, the expansion of new customer service standards are necessary to create a more effective permitting system for each department. Two key components that contribute to this premise are the replacement of dated physical processes with innovative software and high demand of efficiency from the business community. Reflecting the customer service improvements from the Boston Business Hub, online web portals for the business community increases response timing, quality business-related constituency cases, and new venues of dialogue about entrepreneurial topics. Implementing new customer service polices across all departments will build upon the substantially increased productivity rates. Policies within this effort may include required response times, standardized case management procedures, and mandated tracking updates for applicants.
5. RECOMMENDATIONS

5.1. RECOMMENDATION TO IMPROVE CITY’S BUSINESS PERMITTING SYSTEMS

Individually improving each department’s permit system can only temporarily enhance the City’s efficiency in its interactions with the business community. Our findings have illustrated the overwhelming complexity of obtaining 1 of the 203 permits from 16 different departments for the major business categories of San Francisco. Streamlining these systems into one centralized portal is the most efficient way local businesses can apply for permits.

- **Online One-stop Business Portal** - For a potential businessperson to fill out, submit, and pay for a permit application all online is a needed tool from both the business community and City. Along with a mapping of major business categories to their respective permits, the complicated process of locating appropriate permits will be simplified through online tools. These online tools would include a business category questionnaire, a permit index, incentive finder, payment notifications, and other features to ease the interactions of the business community and departments.

Although 85% of business permits are available online, only 37% are fillable and 7% can be submitted online. Currently, payment and submission options are highly limited to person-to-person interactions and transactions. Furthermore, auto-confirmations (confirmations sent automatically through email once an application is submitted) only account for 38% of business permits. This has been a consistent trend among these 16 departments that interact with the business community. Rather than implementing business portals within each department, a citywide one-stop online website can centralize all these data points for business people to explore and use. In five years, the completion of this online business portal will increase these desirable qualities to achieve the highest levels and solving all these problems. Meaning, permits that are fillable and can be submitted with receiving an auto confirmation, along with credit/debit card online payments will all reach 100% quality. **Therefore, combining the percentage increases of these desirable qualities to improve our 203 business permit systems because of this one-stop portal comes to a grand total of 472%.**

This online one-stop portal will revolutionize how the City will interact with businesses, and will put San Francisco on the technological forefront of governmental interactions among major cities. Besides financial related issues, San Francisco’s permitting process is the top barrier among businesses that operate within the City. This streamlining effort through the one-stop will significantly increase the City’s efficiency through the use of technology, accommodating proposition I requirements, the Controller’s Office audit of 2010, Civil Grand Jury’s technology challenge to the Mayor, and Mayor Edwin Lee’s Job plan #13.

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7 Corey, Canapary, and Galains Research; “San Francisco Business Survey 2012” pages 4-5
5.2. RECOMMENDATION TO IMPROVE DEPARTMENT’S BUSINESS PERMIT SYSTEMS

During the development of an online one-stop business portal, departments can still enhance their capabilities to improve interactions with potential local entrepreneurs. There are a number of functions that departments can provide to enhance their permit systems while instilling more uniformity across all permit systems. These recommendations can progress a smoother transition to the one-stop portal, mostly through technological advances and transferring paper-based applications online. These are more immediate actions to upgrade our business permit systems.

- **Online applications that can be filled out and submitted to departments**- To move business permits to a more electronic based system, along with the advancement of the one stop, this streamlining necessitates online applications. Fillable online applications, where users can input their information to complete a form to apply for a permit are the basic functions to provide entrepreneurs with a more efficient experience when dealing with the City. Moreover, rather than printing out a completed form and handing it in to a department, or sending it over through postal mail, online submissions will eliminate these methods for a smoother submission method.

  *Our technology capabilities can vastly improve the business user experience.* Obtaining and maintaining applications that can be filled out and submitted online are basic functions that businesses should have access to. The statistical analysis and demands of the San Francisco business community has demonstrated that online applications will lay the basic foundations for improvement in the permit systems while generating simplified interactions with the City that do not take a large amount of time and effort from the applicant.

- **Tracking numbers for applications**- Most applicants struggle with the permitting process because of the unknown whereabouts of their application. These applicants may in the beginning processes of opening up their businesses, yet cannot proceed due to the requirement of a permit. Others simply may want to know who is delegated the responsibility of overseeing their application. Currently, there is no tracking numbers for applications once they have submitted their applications to their respective departments. *This is a strong tool to ease the worries of applicants, who may want to know where is their application, who is looking it over, what are the processes like, and when will it be approved or denied.* This will greatly strengthen the efficiently and communication of departments, especially when special circumstances arise where employees are (for example) on vacation, sick, or unexpected events. This tool will let an applicant have an immediate access to where their application is, unexpected delays, and/or any missing components a department may need to process their permits.

- **Permit and impact fee calculators**- Potential entrepreneurs cannot financially prepare for the costs they may face for applying for permits and/or impact fees. Impact fees, in particular, can spontaneously appear for a business person, make it extremely difficult to
financially move forward with opening and operating a business. Departments having
calculators available for the public to use online will ease the economic struggle that
business owners may go through when including these fees to their budgets, especially
for newer businesses.

Although some specialized permits and impact fees cannot be calculated, the majority of
them can be using a simple calculator or a specialized calculation tool that can include
particular circumstances like amount of square feet, sliding scales, or other variables.
Functions like these made available online can be greatly advantageous to departments as
well, as business owners may not face delinquencies, will not seek as much help with
understanding fees, delay payments, or other actions that may take time away from other
efforts within a department.

- **Expansion of payment options to include credit and debit cards and submission
  payments online** - Credit and debit are the least used types of payment available, only
  making up 16% and 33% of our payment options for permit fees (refer to Chart 2.5). In
  addition, online payment submissions only make up 12% of methods applicants can
  submit a fee. The City accepts more Cashier’s Checks and money orders than they do
credit and debit cards combined. To standardize our payment systems, departments
should research ways to input credit and debit cards as options to pay fees, as well as
online submission features.

Department payment submissions make up 88% of the 203 permit systems analyzed. This
number has the ability to dramatically decrease once this recommendation is set into all
the departments of San Francisco. The most common online payments are credit and
debit cards already, so in addition to generating a function to pay fees on a department’s
website, they can also have these payment options already available. This 2-in-1 solution
is the most proficient technology advancement to fulfill both these recommendations, and
will lighten the person-to-person transactions for departments, especially those who have
that as their only option to submit a payment.

### 5.3. RECOMMENDATIONS TO INDIVIDUAL DEPARTMENTS

- **Arts Commission** - Because there is only one permit issued to the business community
  from the commission, quick accommodations can greatly increase the efficiency of
  processing this permit. The online application options can include a fillable online form,
as well as submission ability on the Art Commission’s website. In addition, because the
fee can only be paid though check or cashier’s check, the commission should expand its
payment options to include, cash, debit, and credit cards along with the online payment
abilities as well. Additionally, the Art Commission’s website should have a clear
available link to the permit application for street artists. Other website recommendations
include translator, text-based option, disability access function, organizational chart,
FAQ, and a suggestion function.

- **Assessor-Recorder’s Office** - All new businesses must register their information to the
  Assessor-Recorder’s Office in order to open and operate in San Francisco. Because there
is only one permit accounted for and it is free, payment recommendations do not need to be fulfilled. However, fillable online applications that can be submitted through the department’s website should be available for public users. Website recommendations include translator, glossary of terms, clearer structure, newsletter, and a suggestion function.

- **County Clerk**: If a business is using a fictitious name; it must be recorded to the County Clerk. The payment types accommodate to a wide variety of options, hence the only recommendation is the online payment submission ability. Moreover, fillable online applications that can be submitted through the department’s website should be generated for public users. Furthermore, tracking numbers and point person’s contact information should be made accessible for applicants who wish to know where their applications are within the process and other potential information. Other recommendations for the County Clerk’s website include more translation options, glossary of terms, avoid professional terminology, organizational chart, updated news/events, individual contacts, newsletters, and a suggestion function.

- **Department of Building Inspection**: The Department of Building Inspection “permitting process is complex, involving many review items and requiring a high level of accuracy and completeness.” These permits vary in descriptions and purposes, thus is difficult to instill uniform procedures to process permit applications. Online applications for every permit that Building Inspection has available cannot be done because of the complexity of submitting specific conditions or materials that a permit can ask for. However, it should be recommended that Building Inspection seek out more uniformity within their complex procedures to build a friendlier environment for applicants. In addition, because there is still consistency with payment options, the next step to improve their fee system is integrating online payment abilities. In regards to their website, the following is a list of improvements to increase their public-user-friendliness: glossary of terms, newsletters, and a suggestion function.

- **Department of Public Health**: Public Health has a significant amount of permits that applies to almost every major business category in San Francisco. A majority of the permit applications are available and fillable online. However only 5% of permit applications can be submitted online. Along with this, the Department does not accept credit or debit cards as an option to pay for a permit application fee. Therefore, accepting applications and credit/debit card payments online is recommended for the Department. In addition, simplifying their website design to have larger texts, clearer terminology, and vivid navigation through permits can enhance their proficiency within their permit application processes. Other website recommendations include a translator, text-based option, glossary of terms, disability access function, an organizational chart, a newsletter, and individual contacts.

- **Department of Public Works**: All applications are available online, along with a variety of payment options for an applicant to use to pay for the fees. Communication is strong between the department and applicant. Online, the simplistic layout and the usage of pictures to identify types of permits is a likable and desired characteristic for easier
navigation within a complex field. Permit application recommendations are to have applications that can be filled and submitted online, along with a payment submission ability. Website recommendations include translator, payment function, organizational chart, FAQ, and suggestion function.

- **Entertainment Commission**: The Entertainment Commission has advanced their permit application abilities to an idealistic end for all departments. With over 40% of their permits available online, that can be filled, submitted, and paid for, the Entertainment Commission has progressed their permit application abilities to the most business-friendly among departments. The use of technology on their website for submitting applications and payments is easily accessible to the business community can be seen as a strong foundation on where all departments could be, especially with the development of a one-stop portal. The Entertainment Commission’s website is simplistic and easy to navigate, but there should be a clearer link available for users to locate permits, rather than joining them with the “document” link, which makes it more difficult to find a particular permit to apply for. Other website recommendations include a translator, glossary of terms, newsletter, suggestion function, and clearer pathway for programs.

- **Department of Environment**: SF Environment offers a number of business programs, incentives, and regulatory information that is mainly accessible through their website. The most important recommendation is to improve their website layout to make such information more accessible to public users. A simple website layout that has minimal “clicks” to navigate each page of information that businesses may need should increase efficiency for any programs or regulatory items SF Environment has. In addition, consistent communication methods and outreach efforts is highly needed for SF Environment to build stronger relationships with the business community. With communication and outreach efforts, we recommend a stronger usage of SF Environment’s website and email capabilities for all programs and regulations for businesses to either apply or readily accommodate to. Along with these recommendations, these are more opportunities to improve SF Environment’s website: a text-based option, disability access function, a glossary of terms, and clearer pathway for programs.

- **Municipal Transit Agency**: MTA has a wide spread of permits available to the business community that vary in purposes. Thus, different processes apply to each of the 12 permits available in the MTA. However, having consistent communication procedures that use emails and telephone between an applicant and an individual from the agency is an important recommendation for MTA in order to have more standardized practices in contacting the business community with updates or inquires. Furthermore, although most permit applications are fillable, having a submission online ability is needed to also enhance the agency’s permit application process. Also, having uniform payment types for all permits and including debit/credit card options (preferably online) can greatly improve efficiency between the agency and business community. Furthermore, website recommendations from the website assessment include a text-based option, clearer layout of website, clearer label of owner, clearer links to permit section, clearer direction for other city agencies, an organizational chart needed, and a suggestion function.
• **Office of Contract Administration**: The Office of Contract Administration has a process-heavy application for businesses seeking to do business with the City. Because of this, communication with the applicant must be standardized to have outline procedures. Email and phone communication is highly recommended of the Office of Contract Administration to have as a standard form of communication between their office and an applicant. Moreover, the website has clear procedures in applying as a vendor, but should have the ability to fill and submit all forms required to the desired departments an applicant wants to sell to online. Other website recommendations include a translator, a glossary of terms, and a newsletter.

• **Office of Labor Standards Enforcement**: Because their main regulatory item does not necessitate a fee and an online application is available; most of these recommendations do not apply to this office. The Office also has clear and open communication methods to business owners about these regulations and has clear information available for businesses online. Website recommendations to help the Office’s user friendliness include more translation options, a glossary of terms, an organizational chart, and a suggestion function.

• **Planning Department**: Planning permits heavily on the Department of Building Inspection to process applications. Most applications (85%) are available online, while some (42%) can be filled online as well. Yet, online submission is still needed to progress the permit application process for applicants applying on the website. In addition, payment options should include credit and debit cards for application fees. Furthermore, consistent communication methods are needed between department and applicants. Online improvements from the website assessment include the following: text-based option, payment function, newsletters, and a suggestion function.

• **Fire Department**: SFFD has a very simplistic application procedure for business owners to apply for any permit they need. All permits are available online, yet could be fillable and have submission online capabilities. SFFD has a wide array of payment types available for applicants, and just need to expand this ability to their website for online users. Tracking numbers for an application can improve communications between applicants and department. In addition, the SFFD website should encompass clearer vocabulary and pathway in filling out the universal permit application for permits businesses are applying for. Other online recommendations include the following: glossary of terms, update information, payment function, organizational chart needed, FAQ, and a suggestion function.

• **Police Department**: SFPD has an extensive process for each of their permits offered to the business community. Having all their permits reach 4-6 points of contacts and needing a number city agencies to be involved with approving an application, SFPD should seek to consolidate their processes wherever possible to alleviate the time and effort needed for each permit system. In addition, only accepting check or money orders for all payment types limits the ability for businesses to use easier and more accessible options to pay for fees. Accepting debit/credit cards and cash will boost the effectiveness.
of the permit system within SFPD. Adding online payment ability with application submission will enhance the effectiveness further. Other online recommendations include a glossary of terms and suggestion function for their website.

- **Public Utilities Commission**: The SFPUC maintain 3 regulatory items and 1 permit system for businesses to abide by, each one having different procedures to follow while monitoring a certain business. Therefore, the lack of uniformity within the SFPUC’s regulatory system is expected because of the different purposes each regulation fulfills. However, permits that require the any immediate information to operate within the City should have an application that has the ability to be filled and submitted online, along with website payment submission. Other website recommendations include a glossary of terms and suggestion function.

- **Tax and Treasurers Office**: TTX manages the majority of the City’s licenses that require annual renewals along with all business registrations within San Francisco. Every business must register with the City through TTX, and because of this, a majority of departments that require permit/licenses renewals are managed by the Office as well. Beyond this, TTX has 4 systems to sustain that involved businesses, the largest being the Business Registration Certificate. All of these permit applications are available online, but should have the ability to be filled, submitted, and paid for on their website. Also, uniform communication practices between the Office and applicant should be incorporated, especially the use of email and telephone. Also, website recommendations to improve user friendliness include more translation options, glossary of terms, updated news/events, individual contacts, and a suggestion function.