BUDGET RELATED DRAFT ORDINANCE AMENDING SECTIONS 19.16 AND 98.0418 OF THE LOS ANGELES MUNICIPAL CODE AND SUBDIVISION (d) OF SECTION 5.400 OF THE ADMINISTRATIVE CODE RELATIVE TO AN INCREASE TO THE GENERAL PLAN MAINTENANCE SURCHARGE TO FUND A COMPREHENSIVE REVISION TO THE CITY’S ZONING CODE, TO SUNSET ON JUNE 30, 2017

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 12-0600

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The ordinance would amend Sections 19.16 and 98.0418 of the Los Angeles Municipal Code (LAMC) and Subdivision (d) of Section 5.400 of the Los Angeles Administrative Code (LAAC) by increasing the general plan maintenance surcharge to fund a comprehensive revision to the City’s Zoning Code, to sunset on June 30, 2017.

Background and Summary of Ordinance Provisions

The proposed ordinance provides for an increase in the existing general plan maintenance surcharge, which has been added to fees for any permit, plan check, license or application provided for in Chapter 1 of the LAMC, from an amount equal to the greater of three percent of the fee or $1.00 to an amount equal to the greater of five
percent of the fee or $1.00. Forty percent of the monies received from the surcharge between the effective date of the ordinance and five years later shall be used for costs directly related to revisions or amendments to the City’s Zoning Code (Chapter 1 of the LAMC); thereafter, the fee shall be reduced to the greater of three percent of the fee or $1.00. The proposed ordinance similarly increases the surcharge for fees imposed on building permits required by the provisions of Article 1 of Chapter IX of the LAMC.

The increase in fees was preliminarily approved in the adopted budget for the Fiscal Year 2012-2013 budget.

Charter Findings Not Required

The attached final draft ordinance strictly relates to an increase in an existing fee in the fee schedule and is not a land use ordinance. For this reason, this ordinance is not subject to approval by the City Planning Commission pursuant to Charter Section 558.

Fee Notice Requirements

Prior to adopting a new fee or increasing an existing fee, the Council must conduct a public hearing concerning the matter, as required by Government Code Section 66016. Notice of the time and place of the meeting at which the hearing will be held, including a general description of the matter to be considered, must be published in accordance with Government Code Section 6062a. Those sections of State law require that prior to adoption of a new or increased fee a public hearing be held and notice of that hearing be published in a newspaper with two publications at least five days apart over a ten day period. The notice period begins the first day of publication, and there must be at least five days intervening between the first and the second publications, not counting the dates of publication. At least ten days prior to the meeting, data indicating the amount of the cost, or estimated cost, required to provide the service for which the fee is levied and the revenue source anticipated to provide the service, must be made available to the public. After conducting the hearing, you should determine whether the amounts of the fees contained in the ordinance are appropriate. You may impose such fees so long as they do not exceed the expected cost of implementing this City program.

CEQA Determination

Regarding a determination pursuant to the California Environmental Quality Act (CEQA), you can find that adoption of this ordinance is exempt from the provisions of CEQA under Section 15061 (b)(3) of the State CEQA Guidelines and Article II, Section 2(m) of the City's CEQA Guidelines, in that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment because the proposed ordinance merely increases the existing general plan maintenance surcharge fee from three percent to five percent for a period of five years.
The Honorable City Council
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If you concur, you may comply with CEQA by making one or both of these determinations prior to, or concurrent with your action on the ordinance.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Department of Building and Safety, asking that the Department direct any comments they may have directly to the City Council when you consider this matter.

If you have any questions regarding this matter, please contact Deputy City Attorney Terry Kaufmann Macias at (213) 978-8233. She or another member of this Office will be present to answer any questions you may have when you consider this matter.

Very truly yours,

CARMEN A. TRUTANICH, City Attorney

By

PEDRO B. ECHEVERRIA
Chief Assistant City Attorney

PBE/TPKM:pat
Transmittal
ORDINANCE NO. ______________

An ordinance amending Sections 19.16 and 98.0418 of the Los Angeles Municipal Code and Subsection (d) of Section 5.400 of the Administrative Code, relating to the increase to the General Plan Maintenance Surcharge to fund a comprehensive revision to the City's Zoning Code, to sunset on June 30, 2017.

THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:

Section 1. Section 19.16 of Article 9 of Chapter I of the Los Angeles Municipal Code is amended to read:

SEC. 19.16. GENERAL PLAN MAINTENANCE SURCHARGE FOR THE DEPARTMENT OF CITY PLANNING.

There shall be added to each fee imposed for any permit, plan check, license or application provided for in Chapter 1 of this Code a surcharge in an amount equal to the greater of five percent of the fee or $1.00, except that any other surcharge shall be excluded from the computation of this surcharge. Monies received from this surcharge shall be deposited into Department of City Planning Long-Range Planning Special Revenue Trust Fund. The monies received pursuant to this Section shall be used for the maintenance of the City's General Plan and all associated underlying plans or elements, ordinances, and other associated planning initiatives. Forty percent of the monies received between the effective date of this ordinance and five years later shall be used for costs directly related to revisions or amendments to the City's Zoning Code (Chapter 1 of this Code), thereafter, this fee shall be reduced to the greater of three percent of the fee or $1.00. Exempted from this surcharge are all fees and costs imposed pursuant to Section 12.37.

Sec. 2. Section 98.0418 of Division 4 of Article 8 of Chapter IX of the Los Angeles Municipal Code is amended to read:

SEC. 98.0418. SURCHARGES FOR DEVELOPMENT OF AUTOMATED SYSTEMS AND GENERAL PLAN MAINTENANCE FOR THE DEPARTMENT OF CITY PLANNING.

(a) There shall be added to the total of all fees imposed for any building permit required by the provisions of Article 1 of Chapter IX of this Code, an automated systems development surcharge in an amount equal to the greater of six percent of the fee or $1.00, except that any other surcharge shall be excluded from the computation of the surcharge under this subsection. The Fire Hydrant Fee, Section 91.104.4.4, and the Arts Development Fee, Section 91.107.4.6 of this chapter shall also be excluded from the computation of the surcharge under this subsection. In addition, an administrative
fee of $5.00 shall be collected each time the surcharge is collected. Monies received from this surcharge shall be deposited into the City Planning Systems Development Fund pursuant to Los Angeles Administrative Code Section 5.457, except that the $5.00 fee shall be deposited into the Department of Building and Safety Permit Enterprise Fund and credited to the departmental receipts of the Department of Building and Safety.

(b) There shall be added to the total of all fees imposed for any building permit, plan check, license or application provided for in Chapter 1 of this Code a general plan maintenance surcharge in an amount equal to the greater of five percent of the fee or $1.00, except that any other surcharge shall be excluded from the computation of the surcharge under this Subsection. The Fire Hydrant Fee, Section 91.104.4.4, and the Arts Development Fee, Section 91.107.4.6 of this chapter shall also be excluded from the computation of the surcharge under this subsection. The general plan maintenance fee shall be reduced to the greater of three percent of the building permit fees or $1.00, five years after the effective date of this ordinance pursuant to Section 19.16 of the LAMC. In addition, an administrative fee of $5.00 shall be collected each time the surcharge is collected. Monies received from this surcharge shall be deposited into the Department of City Planning Long-Range Planning Special Revenue Fund pursuant to Los Angeles Administrative Code Section 5.400, except that the $5.00 fee shall be deposited into the Department of Building and Safety Permit Enterprise Fund and credited to the departmental receipts of the Department of Building and Safety.

The monies received pursuant to this Section shall be used for the maintenance of the City's General Plan and all associated underlying plans or elements, ordinances, and other associated planning initiatives. Forty percent of the monies received between the effective date of this ordinance and five years later shall be used for revisions or amendments to the City's Zoning Code (Chapter 1 of this Code), thereafter, this fee shall be reduced to the greater of three percent of the fee or $1.00.

Sec. 3. Subsection (d) of Section 5.400 of the Administrative Code is amended to read:

(d) The Fund shall be used to purchase or pay for salaries, expenses, equipment, materials, and services in support of General Plan maintenance, revisions or amendments to the Zoning Code (Chapter 1 of the City's Municipal Code), and related functions, and shall also be used to repay cash advances received from any other fund established by the City and used for these purposes. The Fund shall be used to reimburse budgetary salary, overtime, and related costs as appropriate, and to draw demands for printing, travel, equipment, training, and other services and expenses as appropriate to support the City's General Plan and all associated underlying plans or elements, as well as the Zoning Code.
Sec. 4. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles at its meeting of ____________________.

JUNE LAGMAY, City Clerk

By ______________________________  Deputy

Approved ________________________

_____________  Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By ______________________________  Deputy City Attorney

Date August 13, 2012

File No(s). 12-0600 __________________

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