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Los Angeles and Ventura  
Counties Chapter

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Scott Ouellette, KB Home

Randy Patterson, SARES-REGIS  
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April 23, 2013

Councilmember Ed Reyes, Chair  
Planning & Land Use Management Committee  
200 North Spring Street  
Los Angeles, CA 90012

**Re: Proposed Realignment of City Departments  
(Council File 13-0046)**

Dear Chairman Reyes,

On behalf of the Los Angeles/Ventura Counties Chapter of the Building Industry Association of Southern California (BIA) representing over 900 companies in the homebuilding industry, I wanted to provide you our conceptual support for the Realignment of City Departments proposal.

The BIA has long supported Development Reform efforts. We thank you for your commitment to taking a good step forward to increase efficiency, accountability, and certainty in the City's development process through the proposal of a new Department of City Planning and Development. We agree that there are substantial hurdles associated with communications between the various City departments normally involved in the development process. We understand that the proposed Realignment of City Departments aims to address these obstacles by realigning key functions between City departments to ensure a smoother, more transparent process for the business community to facilitate and improve departments within the City of Los Angeles and aid the development community in bringing jobs and housing, while providing much needed certainty.

We applaud you for your efforts and we hope you will allow us the opportunities for input to help all stakeholders shape this critical Realignment. We seek to work with you to better understand what is being proposed and to educate our constituents on the proposed changes.

As with any reorganization of this scope, the devil is in the details. We appreciate our working relationship with the City, in particular the Departments of Planning and Building &

Safety, and the commitment to form an Advisory Group consisting of key stakeholders to guide the implementation of this Realignment if approved by Council. This group should meet regularly and include those who have a vested interest in making this Realignment a success. While the conversation has focused on management and organizational changes, that only gets us part of the way towards comprehensive solutions. Therefore, we have identified areas that should be incorporated as priorities in the Realignment proposal and we ask that the Planning & Land Use Management Committee direct the Departments of Planning and the Department of Building & Safety to incorporate the following recommendations into their report:

**1. Identify key process changes along with expected performance improvements**

**supported by metrics and timelines.** Examples of key process changes that should readily result from the proposed Realignment include:

- Reducing processing and review time and hold responsible parties accountable when those goals are not met.
- Updating and Integrating Applications and Forms to reduce duplicative requests for information.
- Identification of which fees and processes can be reduced under the consolidation plan (elimination of duplicative reviews, reduced delays in reviewing conditions, case processing, plan check, inspections, PTOs, etc. should also result in fee reductions).
- Eliminating requirement for all projects seeking discretionary approval through the Department of City Planning to no longer be required to have additional Zoning Review through the Building & Safety Department.
- Eliminating the use of "to the satisfaction of" utilized by commenting departments such as Bureau of Engineering/Public Works.
- Plan for including LADWP into the Realignment Plan as they are a critical part of the project approval and construction process.

**2. Ensure current projects are not delayed**

- Prioritize staffing to focus on case processing, in order to help move projects out of the pipeline. Allow for use of 3<sup>rd</sup> party consultants. The Realignment Process has been estimated to be completed by January 2104. During this period, we cannot allow projects to suffer. As the economy continues to improve, we would like assurances that management's attention to Realignment does not adversely impact the efficient processing of pending entitlement and permit applications.

**3. Provide proposed organizational chart that explains how functions will integrate**

- Given the different cultures between the departments, we would like to understand the vision of who will lead various roles and how the Realignment will address cultural differences and change responsibilities to address the improvements suggested in the plan. The proposed chart should identify the realigned functions and how it affects work flow and overall functions.

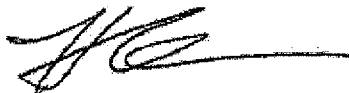
**4. Maintain Commitment to Long Term Planning Efforts**

- While Realignment occurs, we must have assurances that the investment and staff related to long term planning efforts does not suffer. Completion of the Comprehensive Zoning Code Update should not be delayed beyond the 5 year timeline established by Council, and emphasis on completing all the Community Plans should remain a priority, with an emphasis on those Plans that cover areas with the highest level of development activity

In addition to the four key issues highlighted above, which could be implemented in relatively short order, we are resubmitting development reform recommendations previously submitted by the BIA that should also be addressed as part of any Realignment process.

We appreciate our strong working relationship with the City Council, the Mayor's office, and the key departments involved in the proposed Realignment; we look forward to continuing this partnership in order to achieve our common goals and bring much needed improvements to the entire development process at the City of Los Angeles.

Sincerely,



Holly Schroeder  
Chief Executive Officer

Attachments: BIA Development Reform Initiatives, 2011  
BIA Development Reform Recommendations, 2010

Cc: Councilmember Mitchell Englander  
Councilmember Jose Huizar  
Michael LoGrande, Department of City Planning  
Bud Ovrom, Department of Building & Safety



June 22, 2011

Mr. Michael LoGrande  
Los Angeles City Planning Director  
City of Los Angeles  
200 N. Spring Street, Room 525  
Los Angeles, CA 90012

Mr. Bud Ovrom  
General Manager, Building & Safety Department  
City of Los Angeles  
201 N. Figueroa Street, Suite 880  
Los Angeles, Ca 90012

Re: Development Reform Initiatives

Dear Mr. LoGrange and Mr. Ovrum:

On behalf of the members of the Building Industry Association of Southern California- Los Angeles/Ventura Counties Chapter, I want to thank you for your efforts to reform the development approval process for LA City. The draft plan presented at the meeting on June 16 reflected tremendous effort by you, your staff and consulting team. We commend you for your initiative on this project, and hope that successful implementation will be one part of the economic recovery of the building industry.

The analysis presented by your team is very thorough, and already we are seeing increased communication and cooperation between City Departments. As you embark upon implementation, we offer the following observations and comments that we hope you will take into consideration.

Major Goals of Reform

Overall, the major goals identified in the plan are ambitious and appropriate. In particular, we agree that a comprehensive rewrite of the zoning code is necessary, and that the current outdated code is the reason the existing process is time-consuming, lengthy, and complex. Likewise, completing more specific and local community plans should help set the stage for future development that is consistent with those plans.

We also support your plans to implement CEQA reforms where you can do so locally. There are numerous areas, such as thresholds of significance and the use of CEQA exemptions, where the

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City has made the process more stringent than required by state law, and these areas should be evaluated.

The development reform plan establishes a governance system that should enable rapid conflict resolution. It is imperative that the system include continued leadership from the Mayor's Office and all the Department heads, as delegation of leadership on the Development Services Cabinet will be necessary for the foreseeable future.

The building industry understands the budget challenges facing the city, but encourages the planned investment in technology to bring the process up to modern standards. If the City's technology continues to fall behind, the process will only continue to become more time-consuming and difficult.

We note, however, that the Plan does not address one of the key obstacles in the development approval process which is the low standard for appeals. Appeals can delay projects months if not years, risking financing of pending projects and adding significant cost. All too often these appeals are ultimately denied because they are unfounded. Changing the appeals process to weed out frivolous appeals is absolutely necessary for development reform.

#### Intermediate Actions

While the major goals of the plan are very good, we also recognize that they will take significant time to implement. To begin development reform, the City should also take immediate actions to demonstrate their commitment and show a good faith effort towards improvement. Co-location of major departments to the 10th floor is a great first step and we think will go far towards improving communication and favorably shifting the culture. At the same time, we believe there are many small actions that can make a big difference while the longer-term goals are pursued. For example:

- **Paper work reduction:** Reduce the number and types of copies that need to be submitted. An application includes multiple copies of plans in different sizes. Many of these copies are never used. For example, applicants are asked to submit letter-size plans and maps for Council, but these are typically prepared as part of staff reports. Electronic versions are already typically submitted to assist staff in these efforts. Additional copies are also submitted for internal City distribution, but many staff prefer and rely on electronic versions. We would be happy to assist you in inventorying all the submittal requirements and detail the areas where there is duplication or unnecessary requirements.
- The described pre-screening of zoning requirements by DBS as described at the meeting is a good step, the City should do a review of projects before information is released for public hearing or environmental review to identify any issues that have been missed.
- Furthermore, the pre-screening process will work on projects that are submitting applications today, but the City also needs a way to work through issues for projects that have already been through planning but haven't pulled permits yet. We believe that DBS should defer to the zoning review of Planning for those projects that go through a Planning approval.
- The City should immediately stop allowing the use of the condition "to the satisfaction of ..." unless that condition is approved by the Land Development Committee.

- The City should make its internal Fee Estimator available to the public for the purposes of preparing for application submittals. This site is currently only available to employees, and the tools available for applicants are limited. We recognize that the Plan intends to improve the cashier system over the next 2 years, but we believe this would be a good interim step. Likewise, exploring other payment options while the full system is revamped would be helpful.
- City correctly identified the problem of treating the applicant (customer) as "courier," and we agree that the ultimate solution is a technological one. The City's interim proposal of establishing a new courier service is well-intentioned, but we do not believe it is the right action. Until the full electronic submittal is available, applicants are likely to still hand-carry applications to ensure timely delivery and accountability. The City's efforts to improve the process are probably better placed elsewhere than on the new courier system/contractor.

#### Funding

We understand that funding for the technology improvements are expected to come from one-stop funds, and that funding for the code re-write has not yet been identified. During the meeting, it was stated that the development community will pay the full cost-recovery of a good process. We agree, but are concerned that the City will approach the industry to pay for the process before and during implementation of these changes. When Planning Department fees were raised several years ago, it alleged to fund at full cost recovery, and we were assured that development reform would follow. We are concerned that the industry will be asked to fund the existing process without any guarantee that implementation of the major development reforms will occur. Instead, we encourage the City to use existing funds for the zoning code rewrite, after which we are confident that the industry will support full cost recovery of the development process that results from that rewrite.

We thank you for considering our comments, and for your continued diligence on this important effort. If we can clarify or elaborate on any of our comments, please do not hesitate to contact me.

Sincerely,



Holly Schroeder  
Chief Executive Officer

C: Gayla Kraetsch Hartsough, KH Consulting Group  
Sandy Sanchez, Building Industry Association



December 17, 2010

Mr. Bud Ovrum, General Manager, Building & Safety Department  
Michael LoGrande, Planning Director, Planning Department  
City of Los Angeles  
201 N. Figueroa Street, Suite 1000  
Los Angeles, CA 90012

**Re: Development Reform Recommendations**

Dear Mr. Ovrum and Mr. LoGrande:

Thank you for re-establishing the regular meeting between the Building Industry Association and the City of Los Angeles Planning and Building & Safety Departments.

On behalf of the companies who make up the Los Angeles/Ventura Chapter of the Building Industry Association of Southern California ( BIA), I wanted to provide you both with updated recommendations to assist in facilitating and improving processes within the City of Los Angeles and aid the development community in bringing jobs and housing to the City of Los Angeles. Please note that these are suggestions and ideas for improvements of items that could be addressed. A comprehensive plan should be prepared incorporating the ideas identified below which are submitted with to streamline efficiencies and require few changes to the current processes.

Near-Term/Immediate Recommendations:

1. Reduction in documents submitted at public counter/subdivisions — The number of maps submitted at the public counter for subdivision cases has remained constant despite changes in technology, staff review and department distribution. To reduce cost and create a greener environment a minimum number of copies should be submitted along with electronic copy so that distribution to relevant departments can be made electronically. Additionally, extra copies for CD 5 and 11 should be reviewed as to whether they are still necessary (this requirement was put in place under a previous Councilmember and is probably not relevant to current elected officials).
2. Over-in-height-Fence or deminimus yard/height variances — Much of the backlog in City Planning can be traced to filing by both developers and homeowners of requests for over-in-height fences or expansion projects seeking minimal encroachment into required side-yards. A mechanism or policy should be adopted for expediting these reviews and making them more administrative so that the queue for such things is not 12-18 months. Requirements of approval on adjacent and abutting owners could be utilized in

concert with waiver of hearing and PCIS sign-off rather than full zoning variance findings, etc.

3. Cease DBS zoning reviews on projects that have undergone reviews within DCP. Duplication in efforts which often times results in different findings.
4. Establish internal review deadlines for other City Departments (e.g., 30 days) for their comments on the entitlement application early in process; if Departments do not comment, they forfeit their right to impose conditions. Establish performance metrics for processing time, including timelines for inter-departmental reviews.
5. Complete the current Zoning Code Reform effort expeditiously; redefine "project" to include all approvals in cases where multiple approvals are required; apply extension approvals to all related project approvals. Include CRA and Coastal Commission approvals.
6. Create the ability to modify already entitled projects with an abbreviated public process when a scaled-down proposal is introduced. With the economic climate being as it is, many developments are sitting and not moving forward as they do not make sense as approved today. However, if the intensity, density, traffic impact, set-backs, height, etc. does not exceed the approved "Project" an expedited process or utilization of a "Clarification Memo" should be implemented to update appropriate Q Conditions, approvals, etc. that may no longer be applicable if project is scaled-down or modified slightly and avoid unnecessary time with New Project Submittal and entitlement. Create a 24 Month Emergency Ordinance allowing use of this "Clarification Memo" where no issues arise to the modified project proposal.
7. Create a process for coverage during vacations to insure plan check process continues and does not cease while planner is on vacation. Create a system allowing for concurrent plan check between departments.
8. Establish a Primary Point of Contact (POC) that manages a case from start to finish, ensure all department (internal and external ) comments are received within an established time period. The POC would also act as the liaison to the developer to resolve conflicting plan check comments, conditions, etc. and items addressed in Recommendation #5 above.
9. Establish timelines for staff/POC to address inter-department issues and timeline to intra-departmental issues.
10. Identify what Neighborhood Councils control and don't control.

#### Longer-Term Recommendations

1. Revise the appeal procedures and fees to discourage unfounded appeals.
2. Establish mechanisms for electronic submittal and review of applications and plans.
3. Create and maintain community plans complete with zoning code changes and programmatic EIRs
4. Fix the small lots ordinance to eliminate conflicts with requirements and standards from other City departments
5. Fix Site Plan Review
6. Eliminate Plan Check Fees for multiple "same plan" reviews within a subdivision. Re-use of same plans within an approved subdivision should not be charged full plan check fees



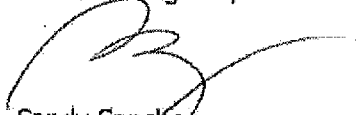
as there is no new review or changes in product. This will immediately eliminate unnecessary document handling and staffing at city and also reduce printing and submittal costs to the developer.

7. Defer timing of payment of QUIMBY and traffic impact fees from map recordation to Building permit.
8. Defer timing of payment of LAUSD impact fees and Sewer connection fees from building permit to COO.
9. Rework DOT fees to allow for multiple clearances with a single Permit sign-off (fee is currently listed as \$354 per permit, versus \$354 per project for all signoffs).
10. Do not trigger trash collection until new homes are sold (versus currently initiated when water meters are set).
11. Adjust QUIMBY credits so they adjust for inflation.
12. Extend approvals on non-map related entitlements (commensurate with the extensions granted related to AB333).
13. Establish a policy and nexus to justify Exactions. Multiple requirements from the various departments on a single development can make a project cost-prohibitive. Review actual economics and feasibility of all mitigation measures combined. Narrow the discretionary actions.
14. CEQA Reform. Reduce abuse of the CEQA mitigation appeal and litigation processes for non-environmental purposes.

We understand you have hired a new consultant team who will review previous audits as well as solicit input from the building and development community before it makes recommendations for improvements. We have worked with Woolpert in their work at LA County and look forward to continuing that relationship and are happy to discuss any of the above recommendations in more detail.

With the difficulties facing our industry, it is important that the all city Department be nimble enough to aid those attempting development projects and assist in obtaining necessary approvals in an expeditious manner. Thank you for the opportunity to provide our member suggestions. We look forward to continuing to work with Building & Safety, Planning and all City Departments Department to achieve improved service and expeditious approvals in the near future.

Warmest Regards,



Sandy Sanchez  
Director, Government Affairs



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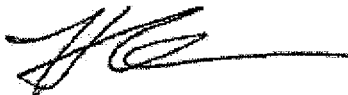
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Sincerely,



Holly Schroeder  
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Cc: Councilmember Mitchell Englander  
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June 22, 2011

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Los Angeles City Planning Director  
City of Los Angeles  
200 N. Spring Street, Room 525  
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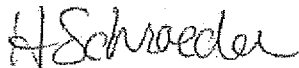
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Sincerely,



Holly Schroeder  
Chief Executive Officer

C: Gayla Kraetsch Hartsough, KH Consulting Group  
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December 17, 2010

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Dear Mr. Ovrum and Mr. LoGrande:

Thank you for re-establishing the regular meeting between the Building Industry Association and the City of Los Angeles Planning and Building & Safety Departments.

On behalf of the companies who make up the Los Angeles/Ventura Chapter of the Building Industry Association of Southern California ( BIA), I wanted to provide you both with updated recommendations to assist in facilitating and improving processes within the City of Los Angeles and aid the development community in bringing jobs and housing to the City of Los Angeles. Please note that these are suggestions and ideas for improvements of items that could be addressed. A comprehensive plan should be prepared incorporating the ideas identified below which are submitted with to streamline efficiencies and require few changes to the current processes.

Near-Term/Immediate Recommendations:

1. Reduction in documents submitted at public counter/subdivisions — The number of maps submitted at the public counter for subdivision cases has remained constant despite changes in technology, staff review and department distribution. To reduce cost and create a greener environment a minimum number of copies should be submitted along with electronic copy so that distribution to relevant departments can be made electronically. Additionally, extra copies for CD 5 and 11 should be reviewed as to whether they are still necessary (this requirement was put in place under a previous Councilmember and is probably not relevant to current elected officials).
2. Over-in-height-Fence or deminimus yard/height variances — Much of the backlog in City Planning can be traced to filing by both developers and homeowners of requests for over-in-height fences or expansion projects seeking minimal encroachment into required side-yards. A mechanism or policy should be adopted for expediting these reviews and making them more administrative so that the queue for such things is not 12-18 months. Requirements of approval on adjacent and abutting owners could be utilized in



concert with waiver of hearing and PCIS sign-off rather than full zoning variance findings, etc.

3. Cease DBS zoning reviews on projects that have undergone reviews within DCP. Duplication in efforts which often times results in different findings.
4. Establish internal review deadlines for other City Departments (e.g., 30 days) for their comments on the entitlement application early in process; if Departments do not comment, they forfeit their right to impose conditions. Establish performance metrics for processing time, including timelines for inter-departmental reviews.
5. Complete the current Zoning Code Reform effort expeditiously; redefine "project" to include all approvals in cases where multiple approvals are required; apply extension approvals to all related project approvals. Include CRA and Coastal Commission approvals.
6. Create the ability to modify already entitled projects with an abbreviated public process when a scaled-down proposal is introduced. With the economic climate being as it is, many developments are sitting and not moving forward as they do not make sense as approved today. However, if the intensity, density, traffic impact, set-backs, height, etc. does not exceed the approved "Project" an expedited process or utilization of a "Clarification Memo" should be implemented to update appropriate Q Conditions, approvals, etc. that may no longer be applicable if project is scaled-down or modified slightly and avoid unnecessary time with New Project Submittal and entitlement. Create a 24 Month Emergency Ordinance allowing use of this "Clarification Memo" where no issues arise to the modified project proposal.
7. Create a process for coverage during vacations to insure plan check process continues and does not cease while planner is on vacation. Create a system allowing for concurrent plan check between departments.
8. Establish a Primary Point of Contact (POC) that manages a case from start to finish, ensure all department (internal and external ) comments are received within an established time period. The POC would also act as the liaison to the developer to resolve conflicting plan check comments, conditions, etc. and items addressed in Recommendation #5 above.
9. Establish timelines for staff/POC to address inter-department issues and timeline to intra-departmental issues.
10. Identify what Neighborhood Councils control and don't control.

#### Longer-Term Recommendations

1. Revise the appeal procedures and fees to discourage unfounded appeals.
2. Establish mechanisms for electronic submittal and review of applications and plans.
3. Create and maintain community plans complete with zoning code changes and programmatic EIRs
4. Fix the small lots ordinance to eliminate conflicts with requirements and standards from other City departments
5. Fix Site Plan Review
6. Eliminate Plan Check Fees for multiple "same plan" reviews within a subdivision. Re-use of same plans within an approved subdivision should not be charged full plan check fees

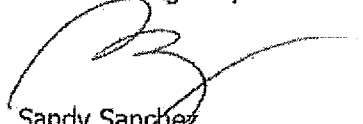
as there is no new review or changes in product. This will immediately eliminate unnecessary document handling and staffing at city and also reduce printing and submittal costs to the developer.

7. Defer timing of payment of QUIMBY and traffic impact fees from map recordation to Building permit.
8. Defer timing of payment of LAUSD impact fees and Sewer connection fees from building permit to COO.
9. Rework DOT fees to allow for multiple clearances with a single Permit sign-off (fee is currently listed as \$354 per permit, versus \$354 per project for all signoffs).
10. Do not trigger trash collection until new homes are sold (versus currently initiated when water meters are set).
11. Adjust QUIMBY credits so they adjust for inflation.
12. Extend approvals on non-map related entitlements (commensurate with the extensions granted related to AB333).
13. Establish a policy and nexus to justify Exactions. Multiple requirements from the various departments on a single development can make a project cost-prohibitive. Review actual economics and feasibility of all mitigation measures combined. Narrow the discretionary actions.
14. CEQA Reform. Reduce abuse of the CEQA mitigation appeal and litigation processes for non-environmental purposes.

We understand you have hired a new consultant team who will review previous audits as well as solicit input from the building and development community before it makes recommendations for improvements. We have worked with Woolpert in their work at LA County and look forward to continuing that relationship and are happy to discuss any of the above recommendations in more detail.

With the difficulties facing our industry, it is important that the all city Department be nimble enough to aid those attempting development projects and assist in obtaining necessary approvals in an expeditious manner. Thank you for the opportunity to provide our member suggestions. We look forward to continuing to work with Building & Safety, Planning and all City Departments Department to achieve improved service and expeditious approvals in the near future.

Warmest Regards,



Sandy Sanchez  
Director, Government Affairs