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INTERIM GENERAL MANAGER

April 22, 2014

The Honorable Budget and Finance Committee
C/o City Clerk, Room 395 City Hall
Los Angeles, CA 90012

Attn: Erika Pulst, Legislative Analyst

Honorable Members:

THE DEPARTMENT OF BUILDING AND SAFETY'S RESPONSE TO THE BUDGET AND FINANCE COMMITTEE'S REQUEST FOR WRITTEN COMMENTS REGARDING THE PROPOSED FY 2014-15 BUDGET

The Department of Building and Safety (LADBS) fully supports the Mayor's Proposed Budget. The Department is funded primarily by the LADBS Building Permit Enterprise Fund (new construction functions) and the General Fund (primarily code enforcement functions). This response is grouped according to these two primary funding sources.

LADBS Building Permit Enterprise Fund

LADBS Enterprise Fund Construction activity has increased by approximately 46.7% in construction valuation (from \$3.0 billion in FY 2009-10 to an estimated \$4.7 billion in FY 2013-14). A new construction cycle has definitely taken hold and the Mayor's proposed budget allows us to adequately address the current imbalance between staffing and the demand for services. The Department is very appreciative of the new 85 Enterprise Fund positions included in the Mayor's proposed FY 2014-15 Budget. We are certain that they will support his Back-to-Basics Budget Priorities and enable us to implement the more than 50 service enhancements so that development projects can be built safe, well, and fast.

LADBS developed the aforementioned service enhancements in collaboration with Matrix Consulting Group (the consultant hired by the City to improve the City's development approval processes), the development industry and other stakeholders. These enhancements include expanding some of our very successful programs which have been well received by the development industry, creating new programs, and utilizing additional technology. The Department estimates that most of the enhancements will be implemented in the next 6 to 12 months and will result in shortening the permitting and construction phases for major projects, mid-sized projects, and small projects.

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Requested Adjustments to LADBS Enterprise Fund Budget

The Department is working with the Chief Administrative Office (CAO) on a few budgetary adjustments and additional positions, which include the following:

- A Bureau Chief position (Deputy Superintendent of Building I classification) to head a reorganized Information Technology (IT) bureau within LADBS. The duties of this position will include the following:
 - Provide high-level oversight over all LADBS IT functions, including the current twelve enterprise wide systems currently being used by multiple agencies.
 - Provide strategic planning and implementation of IT initiatives for the Department with an emphasis on support for development services citywide.
 - Provide high-level oversight of the development, implementation, and maintenance of the new citywide development services system known as BuildLA. This system will be used by all City development services agencies to provide seamless services through a single Internet portal to the public and various internal stakeholders. This position and the responsibility of BuildLA oversight were included in the Development Reform recommendation as being critical to the successful implementation and maintenance of BuildLA. This project oversight includes the following:
 - Represent LADBS on all BuildLA matters (e.g., IT committees, governance groups, public outreach meetings, policy-maker meetings, etc.).
 - Coordinate the establishment of Memorandums of Agreement (MOAs) and Service Level Agreements (SLAs) between development services agencies and the Information Technology Agency to support BuildLA.
 - Coordinate the overall policy decisions between business processes, City development services agencies and technology (helps to shape changes to both).
 - Proactively and continuously interact with other development agencies around the Country to ensure we are always capturing/shaping “best practices”.

This position has the support of the Office of the Mayor.

- Two Clerk Typists for the Subject Specialist Group (SSG), the Department’s “Single Point of Entry” via calls transferred from the City’s 3-1-1 system. These two positions will help the Department reduce call wait time by answering 90% of calls within two minutes instead of the current 70%.
- Office Engineering Technician III (OET III) to support the Department’s new consolidated Green Building, Electrical Plan Check, and Mechanical Plan Check sections (GEM) program. The Department’s initial emphasis will be on solar PV systems for one- and two-family dwellings since they represent approximately 95% of all installations and face the most challenge. The OET III will be instrumental in establishing and maintaining GEM and provide many services, including the following:
 - Act as the Business Expert for establishing permitting PV systems online. The OET III will work with LADBS IT staff to develop a PV permitting enhancement for LADBS’ current ePermit system. This system enhancement will save customers from having to

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come to an LADBS office in person thereby saving them time and money. Once established, the OET III will provide customer support services.

- Provide ongoing assistance and training to staff and customers on the PV ePermit enhancement.
 - Prepare and distribute customer outreach materials, including Information Bulletins.
 - Supervise OET I and OET II positions
- LADBS requests that positions fully funded by the LADBS Enterprise Fund be fully exempt from the Managed Hiring (MHC) process. Engineering and inspection classifications require extensive training before new employees become productive. This exemption would help improve the speed of our service delivery.

General Fund

LADBS is grateful for the Mayor's support in proposing the first staffing increase within the Department's General Fund Code Enforcement functions since 2005-06. Years of chronic cuts to LADBS' Code Enforcement Bureau have resulted in a 49% reduction in staffing since FY 2006-07, a current response time of 25 business days (more than 1 month!), and a growing backlog of more than 13,000 cases. To address these deficiencies, the proposed budget includes the following positions:

- General Code Enforcement Operations -- 14 full-time resolution authority positions and another 14 substitute authority positions to be used to hire recent retirees on 120-contracts.
- New Proactive Conditional Use Permit Monitoring Program -- 13 resolution authority positions. The start of this program is contingent upon adoption of the requisite ordinance.

The Department estimates that the proposed General Code Enforcement positions will reduce response time from 25 to 14 business days and the backlog of open cases from more than 13,000 to approximately 10,200 cases.

The Department fully supports the Mayor's proposed budget and appreciates you giving us the opportunity to discuss our budget through this response.

Please let me know if LADBS or I can be of any assistance or provide additional information. I can be reached at (213) 482-6800. In my absence, please feel free to contact Steve Ongele, Chief of LADBS' Resource Management Bureau at (213) 482-6703.



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Interim General Manager

- C: Ana Guerrero, Chief of Staff, Mayor's Office
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