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May 26, 2016

Honorable Members of the City Council
City Hall, Room 395
200 N Spring Street
Los Angeles, CA 90012

RE: CF 16-0422 Department of City Planning Report on System for Updating Community Plans, Batching General Plan Amendments, EIR Consultants, and Technology Plans

The following report is in response to an April 13, 2016 City Council Motion presented by Councilmembers Huizar, Cedillo, Blumenfield, Ryu, Bonin, and O'Farrell, seconded by Council Member Kerkorian. The Council Motion (CF 16-0422) requested that the Department of City Planning, in collaboration with the Office of the City Administrative Officer, the Office of the Chief Legislative Analyst, and the Information Technology Agency, provide a report on four topics critical to the function of long range planning within the City:

1. **System for Updating Community Plans:** The process for the systematic update of Community Plan and General Plan elements, including a criteria and methodology for determining a schedule for updates;
2. **Batching General Plan Amendments:** Analysis of the feasibility of batching General Plan Amendments (GPAs) to allow for the Department of City Planning, City Planning Commission or City Council to consider GPAs as a group to assess the total impacts to the City's built environment;
3. **EIR Consultants:** Analysis of the resources and fiscal impacts of procedural options requiring that consultants that assist in the preparation of Environmental Impact Reports (EIRs) be pre-qualified and/or selected by the City and/or be hired directly by the City at the expense of the applicant;
4. **Technology Plans:** A status update of the ongoing technology plans, projects, timelines, and sources of funding with respect to rebuilding the technology infrastructure for the Department of City Planning in furthering the goal of an open and transparent government.

System for Updating Community Plans

I. Overview of Community Plan Program

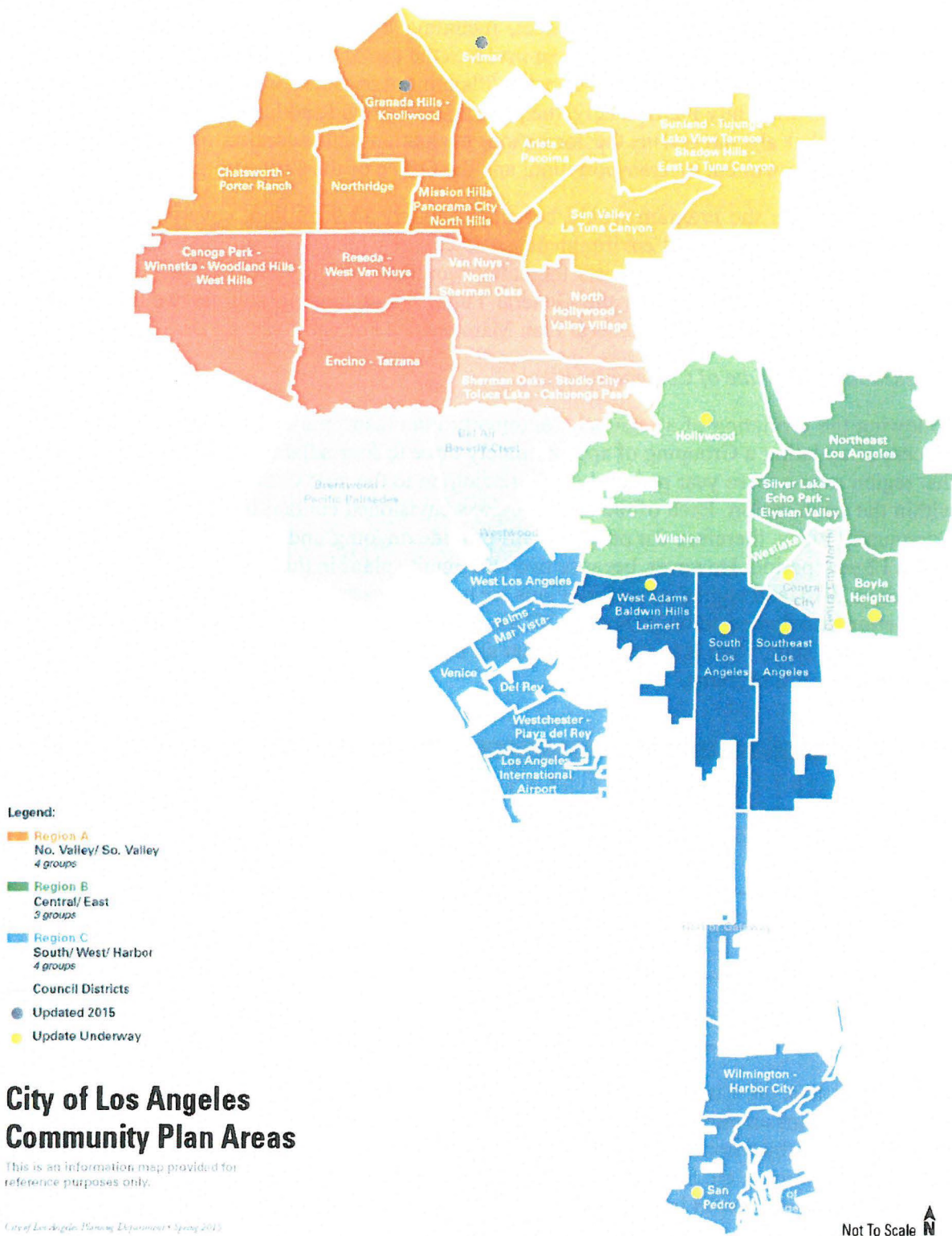
Community Plans are generally viewed as the cornerstone of the City's long-range planning efforts. This collection of 35 plans comprise the City's State-mandated "Land Use Element," one of seven required elements of a General Plan. Community Plans are the focal point for determining how the City will approach growth within a community, and what goals and policies will shape that community's built environment.

The Community Plan program, as it is known today, was established in the 1960s. At that time the plans, which were often referred to as "Broadsides", consisted of a large fold out map with policy text, and were updated as needed through the 1980s. In the late 1980s a comprehensive "Community Plan Revision" program was established, departing from the Broadside format, and incorporating more extensive analysis, goals and policies. During the late 1990s the Department's focus was on the adoption of the Framework Element of the General Plan, and a more streamlined "Community Plan Update" program was initiated that brought nearly all of the City's Community Plans through adoption between 1996 and 2005. While an ambitious "New Community Plan" program to update all of the City's Community Plans was launched in 2006, the program was beleaguered by resource constraints, and a fiscal crisis. From this program, two Community Plans were successfully updated in 2015, and the remaining eight will make their way through the adoption process over the next two years.

In the past three years the Department of City Planning, with support from the Office of the City Attorney, has made significant strides in adapting its approach to preparing Environmental Impact Reports (EIRs) for Community Plans, and in ensuring that the Community Plans' goals, policies and implementing ordinances are sound and implementable. During the next two years the City is already poised to adopt an additional eight updated Community Plans, serving large, diverse, geographies with 32 transit stations and a combined population of roughly 1.14 million persons (per 2010 Census), thus representing a massive undertaking on the part of the Department. Further, the City has made bold steps to begin comprehensively updating its General Plan, CEQA Thresholds, and Zoning Code, all of which will provide significant benefit to the process of crafting, adopting, and implementing modern-day and cutting-edge Community Plans. The General Plan work program was initiated during FY 15/16, and it is anticipated that the CEQA Thresholds will be complete in spring of 2017, a supporting Infrastructure Fee Analysis report will be complete in 2019, and the updated General Plan will be complete in late 2020.

However, it is apparent that the pace at which Community Plans are being updated will not result in a timely update to all 35 Community Plans within the City. Presently, 29 out of 35 of the City's Community Plans are older than 15 years, a statistic that will only improve to 10 out of 35, after the eight plans currently underway are adopted over the next two years (other plans will have aged beyond 15-years-old). Consequently, the Mayor and City Council have initiated a significant increase in the funding for the Community Plan program, per the adopted FY 16/17 budget, with the goal of bringing each of the City's plans up-to-date within a 10-year timeframe.

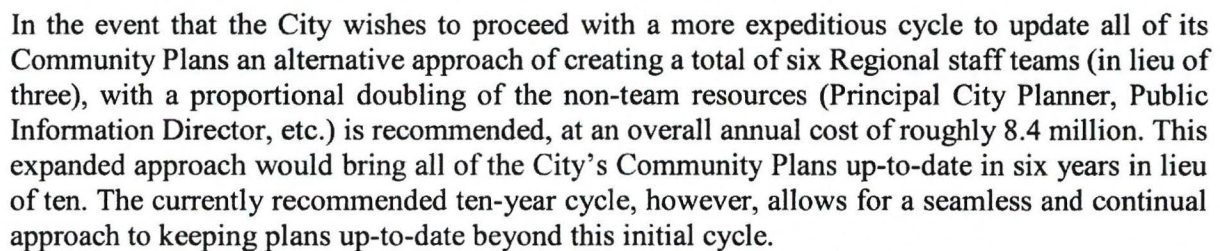
To achieve this goal, the Department of City Planning plans to update Community Plans in geographic groupings of three or four Community Plans at a time, organized around three geographic regions: San Fernando Valley, Central/East, and South/West/Harbor (See Map 1). This approach is sensible in that neighboring Community Plan areas often have similar land use opportunities and issues, have overlapping technical and environmental study areas, etc. This approach also provides economies of scale with respect to conducting outreach, and completing regional environmental analysis.



Map 1: Community Plan Regions and Groupings. This map does not imply a specific order in which Community Plan updates would be pursued.

Year-one costs for the program would be approximately \$1.9 million, covering both staff and contractual services (required environmental studies), of which \$1.5 million would be provided from the General Fund. Annual costs thereafter would be roughly \$4.2 million, of which \$2.8 million would be provided from the General Fund. Other funding sources would include the Department of City Planning's General Plan Maintenance Fee and Systems Development Fee.

Following the formation of a regional Community Plan team, the Department will carry out the process of updating a Grouping of approximately three to four adjacent Community Plans within that region over a three year period, before moving on to the next Grouping of Community Plans within the same region. Each of the three Regions envisioned contain three or four Groupings of Community Plans, therefore the program will provide ongoing updates to each Community Plan over a 12 year period. However, because two community plans in the Valley Region were recently updated in 2015, and eight Community Plans are underway across the remaining two regions (with completion anticipated through Spring 2018), the 12-year cycle envisioned for this program is given a “head start,” and it is anticipated that all of the City’s Community Plans will be updated within a 10-year timeframe.



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lessons learned through the previous 2006 Community Plan program, and will identify a path forward to address the staffing needs of this program, a communications and outreach strategy that will be employed across the program, and a strategy for compiling and maintaining demographics and data that are essential to the development and analysis of a Community Plan. The completion of a communications and outreach program is essential, given that the overall program envisions a three-year period to update a group of Community Plans.

Developing a communications and outreach program, with early input from key stakeholders and officials, will enable the Department to clearly define how long the initial community outreach phase will be when new Community Plans are being formulated, as well as the nature and type of outreach throughout the program (i.e. workshops, focus groups, neighborhood council committees, online and social media presence, etc.). A balanced and structured outreach effort will be essential in keeping the overall program on track.

The three-year Community Plan update period will begin with community outreach events, and after the compilation of necessary Community Plan demographic and technical data. The 36-month program will conclude with the delivery of a final draft Community Plan (policy document), land use and zoning changes, and final EIR, for consideration by the City Planning Commission, Mayor, and City Council. Although ultimate adoption of each individual Community Plan is anticipated within this 36-month timeframe, the adoption process of an individual Community Plan may run its own course and be subject to its own timeline.

II. Criteria and Methodology for Determining Schedule

The Department of City Planning has historically considered a range of quantitative and qualitative factors in determining when to initiate an individual Community Plan Update. The proposed program builds upon experience from previous generations of the program in that updates are geographically grouped, and that grouped updates are happening semi-concurrently in different regions of the City. Therefore the criteria and methodology can be narrowed to instead help determine which grouping of three-to-four Community Plans within a region will be addressed first, second, third, etc. during a roughly 10-year cycle. Criteria that the Department of City Planning will consider are:

- Age of Community Plans;
- Overall volume of development, as depicted through building permits;
- Overall number of discretionary entitlements such as a General Plan Amendment, Zone Change, Variance, Specific Plan Exception, etc.;
- Demographic Projections: is population and/or job growth anticipated in an area that does not currently provide adequate capacity or is growth occurring outside of expected forecasts;
- Number of transit stations within a Community Plan for which there has been no transit-oriented planning initiative (i.e. an adopted TOD, Specific Plan, or other similar planning tool);
- Number of current Department of City Planning work programs within an area that could be augmented by a more comprehensive planning effort across the Community Plan geography (i.e. Westside Mobility Program, Metro TNP Program, Neighborhood Conservation efforts, etc.);
- Emerging development challenges that may not be adequately addressed by current Community Plan; and

- Areas where economic development/investment opportunities exist, or where such opportunities can be supported through a Community Plan.

Batching of General Plan Amendments

It is impossible for a Community Plan to anticipate the myriad of appropriate development scenarios across a plan area, and it is at times beneficial to consider development projects that may depart from the prescribed land use designation and/or regulations of a Community Plan, but that nevertheless could be beneficial to a community and otherwise consistent with the remainder of the City's General Plan goals and policies. Consequently, there will still be an ongoing need to re-visit a Community Plan's land use designations from time to time outside of a Community Plan update process.

The City's Charter and Municipal Code dictate that General Plan Amendments (GPAs) may not be initiated by a project applicant, and instead may only be initiated by the City Council, the City Planning Commission, or the Director of Planning. While this requirement ensures that project applicants cannot solely initiate a General Plan Amendment, there may not be enough of a framework for responsible departments or key decision-makers to consider the merits of a particular GPA in concert with other proposed GPAs within the same Community Plan area or relative vicinity. General-law cities, pursuant to California State law (Government Code Section 65358) are allowed to amend individual General Plan elements no more than four times a year, a mandate that allows such municipalities to more comprehensively consider potential GPAs in concert with one another. While Los Angeles' extreme size and Charter status make adherence to Government Code Section 65358 both impractical and unnecessary, steps to explore consolidating GPA review and/or decision-making would be beneficial.

Historically, the City has considered GPAs in groupings, pursuant to the "Periodic Comprehensive General Plan Review" provisions that were removed from the Municipal Code in December, 2005. These provisions mandated that four geographical regions be devised by the Director of Planning, based upon existing Community Plan boundaries. The Municipal Code then required that the City Council adopt a schedule by resolution that would set forth the GPAs windows for when each of the four regions would be considered by the City Planning Commission, and that such consideration would happen no less than every six months. Upon adoption of a schedule, the City Planning Commission considered GPAs within a specified period of time, and flexibility was permitted to deviate from the schedule where financial hardships might be involved, for affordable housing projects, and where zoning compatibility was an issue.

The past practice of comprehensively considering GPAs within geographic batches provides a useful system through which the process can be re-considered today. Confining the acceptance of GPA applications to discrete periods of time will assist the City in better considering the possible merits and implications of GPAs before they are taken in. An alternative approach could involve coordinating the decision-making, so that the City Planning Commission is better able to discern the larger implications and potential impacts of proposed GPAs across a portion of the City's geography.

The Director of Planning has the authority to set forth policies that create an administrative process for the intake and processing of GPA requests that are initiated by the Director. Such a system can specify discrete windows of time in which GPAs pertaining to a specific geography might be taken in, as well as windows in time in which they may be considered by the City Planning Commission. A Director initiated policy memo can effectively set forth administrative procedures that can be tested in real-time while a permanent system is provided through the City's pending new zoning

code. The Department of City Planning is currently re-writing the municipal code's various processes and procedures.

While the various administrative issues involved with the intake and processing of a GPA can be addressed in detail in a Director's memo, it is generally expected that the division of the City into geographic boundaries would comport with the Community Plan Regions established above (those boundaries also coincide with the Department's current "Geo Team" organizational structure), and that any intake and City Planning Commission "windows" would adequately allow the Department to accommodate potentially beneficial GPAs within a reasonable time frame.

A *potential* allotment of "GPA windows" could be carried out as shown below:

Geography	Intake Batch	City Planning Commission Batch
Valley	January-February	May-June
Central/East	March-April	July-August
South/West/Harbor	May-June	September-October
Valley	July-August	November-December
Central/East	September-October	January-February
South/West/Harbor	November-December	March-April

Any future direction provided by the Director of Planning as to GPAs will also need to consider the complexity of initiating and processing GPAs while a separate Department-led Community Plan process is underway, and a separate, more confined schedule may be appropriate in such cases. Further, the batching scenario proposed above is based up the realistic needs of the City to accommodate GPA requests given the relative age of most of its Community Plans, and consideration must also be made as to how often GPAs might be considered where a new Community Plan has recently been adopted.

EIR Preparation

In an effort to improve the process by which individual development projects are evaluated in an Environmental Impact Report, pursuant to the California Environmental Quality Act, the Department of City Planning has considered a number of options related to the procurement of professional consultants and the review of reports and analysis, with the goal of creating a process that ensures the highest level of professional review, transparency and reliability to stakeholders, and fairness to prospective project applicants.

Four options related to the preparation of EIRs have been developed, and this report elaborates on the issues associated with each approach. Options range from continuing the current practice of applicant-prepared EIRs submitted to the Department for its review, to a more far reaching position of the Department assuming the consultant selection and contracting responsibility for all EIRs.

Option 1: Applicant's consultant prepares materials that are then reviewed by City staff and signed off by City staff. Option 1 represents the City's current process.

- This option places the responsibility of contract and budget management with the prime consultant and technical sub-consultants on the private sector. The current process does not consume City resources to manage day-to-day tasks associated with consultant selection, contracts and budgeting.
- Without prior vetting or input from the City, some consultants are new and/or require much more hand-holding from City staff to produce a quality document meeting the City's standards as the CEQA-required Lead Agency.
- Additional screen check draft reviews are necessary when the document is not to the Department's standards for technical accuracy and comprehensiveness. This further extends the overall processing time for projects that are often high priority, catalytic development proposals for the City, in addition to consuming greater staff resources.
- Although all EIRs are City documents under full city control, the fact that draft materials are prepared directly by developer-selected consultants may create a public perception that it is the "Developer's EIR" and not the "City's EIR."

Option 2: Applicant selects and hires from a City list of CEQA consultants that are pre-qualified by the City. The City retains the right to remove consultants from the pre-qualified list for not meeting criteria or performance.

- This option would allow the City to better control the quality and content of EIRs through a select list of prequalified environmental practitioners that have been vetted by Planning Department staff.
- If the City moves forward with the standardization of EIRs through development of an EIR template in consultation with the Office of the City Attorney, having an approved CEQA consultant list would greatly help this effort both in content control and timing.
- This option places greater direct oversight of the process to the Department of City Planning, which would maintain the city-approved list of CEQA consultants.
- The City can ensure, through its own contracting process that any technical studies, discoveries, or findings created by a consultant remain property of the City and not the applicant.

Option 3: City selects the CEQA consultant for the applicant from a list of consultants that are pre-qualified by the City, and the applicant pays the consultant.

- This option would give the City full authority in CEQA consultant selection, but without the ongoing burden of contract management and would therefore save staff time from administering accounts payable/receivable.
- This option would still allow the City to develop a standardized EIR template for all EIRs working with a select list of prequalified consultants.
- Coordination by DCP will be necessary as to the number and types of EIRs assigned to individual consultants based on the complexity of the project and need for technical expertise.
- Staff may be forced to withhold the review of documents/case processing in the event the consultant is not paid in a timely manner.
- Applicant may have concerns with DCP's EIR consultant selection, and feel expertise or responsiveness is lacking for a particular entitlement request.

Option 4: City hires the CEQA consultant directly and bills the applicant. The City includes a 15 percent administrative surcharge to cover management expenses.

- This option would be in line with the current standard practice with many smaller cities throughout California, however Los Angeles deals with significantly more EIRs each year than most smaller cities.
- Although all EIRs are City documents under full city control, the fact that draft materials are prepared directly by city-hired consultants may increase the perception that the EIR would be seen as the “City’s EIR” and not the “Developer’s EIR.”
- This option would involve considerable administrative time of senior Department staff to review contracts, manage billing, and monitor deliverables to substantiate billing that could otherwise be spent on ensuring document consistency and working with applicants/consultants on the content of the EIR, the project entitlement package, and/or the project design feature.
- This option would likely require additional staff resources to assist with contracting and accounting needs.

While the Department can feasibly implement any of the options above (with further reporting as to the staff resource needs associated with Option 4) the Department recommends the implementation of **Option 2**, which will establish procedures where an applicant selects and hires from a City list of CEQA consultants that are pre-qualified by the City. The City retains the right to remove consultants from the pre-qualified list for not meeting criteria or performance standards. This will give the Department greater control over the determination of the environmental consultant team but would avoid the complexities and potential time impacts associated with consultant selection and daily contract and budget management.

The Department is equally capable of implementing Option 2 and Option 3. Both Option 2 and Option 3 represent significant changes to the City’s EIR preparation policies. Option 2 retains the ability of an Applicant to make the selection of a suitable consultant, with DCP having the leverage to remove any non-performing consultants from the City-approved list.

At the present time, 56 EIRs are in production within the Department’s Major Projects Section, each with a prime consultant and several technical sub-consultants across a variety of environmental categories (traffic, air quality/greenhouse gas, geology, historic resources, noise, etc.). Option 2 is recommended because it would allow greater City control of the selection and consultants as well as balancing the resources available to provide quality control to the overall volume of CEQA activity in the department.

Technology Plan for Transparent Permitting

Assistance from CLA, CAO, ITA

City development services departments are engaged in a project to reform how development services are provided to constituents of the City. The goal of this project, known as “BuildLA”, is to provide open and transparent access to development services through a single web portal, including applications for entitlements and permits, requests for inspection and code enforcement, project tracking, and payment of fees related to these services, regardless of the City development services department that provides the services.

In June 2013 an RFP for design, development and implementation tasks related to BuildLA was issued. In October 2014, the City selected Accela, Inc. as the highest qualified scorer. The City is

currently finalizing contract negotiations with Accela with the goal of realizing a signed contract sometime during the summer of 2016. Once a contract is in place, BuildLA will take an estimated 28 months to implement.

The business objectives for BuildLA are to create an efficient, transparent, and predictable development application review process founded on a single integrated technology solution and simplified processes. BuildLA, and the business process changes it will entail, will transition the City from its current fragmented, department-central operational approach to a true customer-centric business model focused on service delivery and accountability. BuildLA will automate a series of end-to-end services that allow customers to interact with the City through a single online portal, which will include application intake and processing, entitlements, plan review, permit issuance, code enforcement, customer service wizards, general information regarding development services processes ("how to", office locations, hours of operation, contact information, etc.), among other services and information.

BuildLA will facilitate the transformation of the City entitlement, plan review, permit issuance, new construction inspection, and code enforcement functions. It will replace some key departmental information systems such as Plan Check and Inspection System (PCIS), Automated Certificate of Occupancy System (ACOS), Planning Case Tracking System (PCTS), Condition Development and Management System (CDMS) and a number of independently operating "niche" systems in various City development services departments/agencies.

The funding for the BuildLA project is provided exclusively by special revenue generated by building permit and entitlement fees. No general fund impact is created.

Summary

The Department of City Planning is prepared to launch the Community Plan program, as described within this report. The policy decision to implement a batching strategy for General Plan Amendments is an important item for consideration, and the Department recommends a report-back on a batching program similar to the one described in this report. The establishment of EIR preparation administrative procedures, in line with Option 2 outlined in this report, is also recommended, and the City Council may direct the Department to prepare the administrative materials necessary to implement this revision.

Sincerely,



Vincent P Bertoni, AICP
Director of Planning

cc CAO, Miguel A. Santana
 CLA, Sharon Tso
 ITA, Ted Ross