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DEPARTMENT OF
BUILDING AND SAFETY
201 NORTH FIGUEROA STREET
LOS ANGELES, CA 90012

FRANK M. BUSH
GENERAL MANAGER
SUPERINTENDENT OF BUILDING

OSAMA YOUNAN, P.E.
EXECUTIVE OFFICER

April 21, 2017

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

Attn: Richard Williams, Legislative Analyst

Honorable Members:

BUILDING AND SAFETY'S RESPONSE TO THE BUDGET AND FINANCE COMMITTEE'S REQUEST FOR WRITTEN COMMENTS REGARDING THE PROPOSED FY 2017-18 BUDGET

In accordance with the direction from Honorable Councilmember Paul Krekorian, Chair of Budget and Finance Committee, in his letter to Heads of All Departments et al, dated February 23, 2017, the Los Angeles Department of Building and Safety (LADBS) respectfully transmits this response regarding its review of the FY 2017-18 Proposed Budget.

The Department of Building and Safety (LADBS) fully supports the Mayor's Proposed Budget. This response includes requests for additional resources to further improve services provided by the Department and enhance coordination with other City departments and offices. These requests include: one new position to improve the Lien Reform Program initiated by Council Motion (C.F. 16-0233), as recommended by the Department via correspondence dated March 30, 2017; restoration of one position to maintain current service levels in the Department's Land Use and Subdivision Review section, fully funded by the Building Permit Enterprise Fund but deleted in the proposed budget (1 Structural Engineering Associate IV); and six new positions fully funded by the Building Permit Enterprise Fund to create the new Citywide Business Case Management (Biz-CM) Program (1 Structural Engineer Associate IV, 2 Structural Engineer Associate III, 1 Structural Engineer Associate II, 1 Building Mechanical Inspector, and 1 Administrative Clerk).

The Department is funded primarily by the LADBS Building Permit Enterprise Fund (new construction functions) and the General Fund (primarily code enforcement functions). LADBS Enterprise Fund construction activity has doubled in construction valuation over the past five fiscal years (from \$3.3 billion in FY 2010-11 to an \$6.6 billion in FY 2015-16), and is estimated to increase again to \$7.1 billion by the end of FY 2016-17. The positions proposed in our Budget together with the additional requests in this response support the Mayor's Back-to-Basics Budget Priorities and will enable us to maintain the high customer service levels we have worked hard to establish.

LIEN REFORM

LADBS is in the process of obtaining approval of new lien procedures, which have been detailed in the Department's report to Council dated September 22, 2016 (C.F. 16-0233). The report describes

the process by which the Department can improve the current procedure for nuisance abatement and code enforcement non-compliance liens, recommending an alternative process in which constituents will be able to appeal staff recommendations for liens against their properties prior to referral to Council. This alternative includes redirecting public hearing requirements from the City Council to the Los Angeles Board of Building and Safety Commission (Commission) to help reduce the number of lien confirmation hearings requiring Council time.

To help assist with the cases that would be redirected to the Commission, LADBS requests funding and position authority for one Administrative Clerk (AC). The AC will log and track all incoming hearings/appeals, create and maintain Commission files, prepare public notices for hearings, create hearing agendas, draft minutes, and prepare documents for records. The addition of one AC and approval of the new lien procedures discussed in LADBS' supplemental report will make the lien process more efficient and cost effective for the City. This position will be partially funded by the Enterprise Fund, and the estimated annual cost impact to the General Fund is \$42,000.

LAND USE AND SUBDIVISION REVIEW

LADBS requests to restore funding and position authority for one Structural Engineer Associate (SEA) IV, to provide expert technical advice to customers and staff on state laws and legislative mandates for Zoning matters at the Development Services Case Management (DSCM) Division's Land Use and Subdivision Review section. The Department requested and received in the Mayor's FY 2017-18 Proposed Budget a Building Civil Engineer (BCE) position. However, an existing SEA IV position was deleted in place of the requested BCE position. Both positions are required as they serve different functions for the Department.

The existing SEA IV is a non-supervisory technical expert that serves as a vital resource to external and internal customers, both at LADBS and other City departments. The position assists applicants with Zoning code issues in their initial plan submittal and throughout the permit issuance process, and serves as an internal consultant to other employees and plan check supervisors on difficult and/or complex Zoning questions. The SEA IV also provides assistance to the Department of City Planning (DCP), reviewing subdivision cases for Zoning/Building Life Safety requirements and ordinances prior to City Attorney approval and Council adoption as stated in Council Rule 38. In addition to the complexity of the issues faced by this position, these questions and tasks often require extensive research to address, demanding not only a high level of subject matter expertise but also a significant investment in time.

In contrast, the newly approved BCE position will devote most of their time to supervisory duties and inter-agency coordination. The BCE will represent LADBS at various inter-agency meetings and projects requiring senior level Department staff, including various City Planning hearings and the re:code LA project. The position will also provide supervisory support that is currently lacking in the Land Use and Subdivision Section, since the highest level position in the section, an SEA IV, is not permitted to supervise staff per the City's class specification.

The complexity of responsibilities and administrative skill sets necessary for DSCM demands the restoration of the SEA IV. **This request is 100% fee supported and will have no impact on the General Fund.**

CITYWIDE BUSINESS CASE MANAGEMENT (BIZ-CM)

LADBS requests new funding for six (6) positions to provide services for the new Citywide Business Case Management (Biz-CM) Program. LADBS is establishing this Program with the support of and in coordination with the Mayor's Office of Economic Development (MOED) to assist new businesses

through the permitting and development process. Biz-CM will provide case management services to new businesses referred by the MOED Programs.

In order to implement this program, LADBS requests new funding and position authority for one SEA IV, two SEA III, one SEA II, one Building Mechanical Inspector, and one Administrative Clerk. These positions will offer incoming businesses to Los Angeles comprehensive permit and regulatory compliance assistance, preliminary plan review, feasibility studies, code consultations, assistance during plan check and inspection and other handholding services. **This request is 100% fee supported and will have no impact on the General Fund.**

Please let me know if LADBS or I can be of assistance or provide additional information. I can be reached at (213) 482-6800. Additional details may also be provided by Steve Ongele, Assistant General Manager and Chief of LADBS' Resource Management Bureau, at (213) 482-6703.



Frank M. Bush
General Manager

cc: Ana Guerrero, Chief of Staff, Mayor's Office
Matt Szabo, Deputy Mayor of Budget and Innovation
Raymond S. Chan, S.E., C.E., Deputy Mayor of Economic Development
Sharon Tso, Chief Legislative Analyst
Richard H. Llewellyn, Jr., Interim City Administrative Officer

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