

Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at NCsupport@lacity.org.

This is an automated response, please do not reply to this email.

Contact Information

Neighborhood Council: Mid City WEST Neighborhood Council

Name: Mehmet Berker

Phone Number: (651) 470-8605

Email: mberker@midcitywest.org

The Board approved this CIS by a vote of: Yea(29) Nay(0) Abstain(0) Ineligible(0) Recusal(0)

Date of NC Board Action: 03/09/2021

Type of NC Board Action: Against

Impact Information

Date: 03/25/2021

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 09-0969-S3

Agenda Date:

Item Number:

Summary: Mid City West Community Council is opposed to Council File (CF) 09-0969-S3 in its entirety. However, our Community also wanted to make comments within the bounds of what is included in CF 09-0969-S3, so that if changes are made, that these comments are taken into account. Our CIS letter (Attached) outlines these comments as well as describes our reason for vehement opposition to this motion.



**BOARD OF DIRECTORS
2019-2021**

Scott Epstein
Chair

Lauren Nichols
First Vice Chair

Amy Goldenberg
Second Vice Chair

Vilma Hurtado
Secretary

Ivan Salas-Oroño
Treasurer

Thomas Bailey

Judith Benezra

Mehmet Berker

Cindy Bitterman

Shem Bitterman

Lauren Borchard

Montrese Chandler

Lindsey Chase

Michelle Einstein

Isack Fadlon

Barbara Gallen

Adam Gerber

Marisa Glucoft

Will Hackner

Lynda La Rose

Taylor Holland

Tyler Lambert-Perkins

Charles Lindenblatt

David Mann

Jenny Morataya

Terence Mylonas

Taylor Nichols

Abe Rakov

Arnali Ray

Michael Schneider

David Sobel

Thao Tran

Don Whitehead

Roque Wicker

March 25th, 2021

Honorable City Council
c/o Office of the City Clerk
Los Angeles City Hall
200 North Spring Street, 5th Fl
Los Angeles, CA 90012-2601

Subject: Council File Number 09-0969-S3

Planning Fee Increases

The Mid City West Community Council, an official Neighborhood Council of the City of Los Angeles, requests that the following Community Impact Statement be attached/added to Council File 09-0969-S3 regarding a proposed comprehensive Planning Department fee update.

Mid City West Community Council is **opposed to Council File (CF) 09-0969-S3 in its entirety**. However, our Community also wanted to make comments within the bounds of what is included in CF 09-0969-S3, so that if changes are made, that these comments are taken into account.

First, within the bounds of the current CF 09-0969-S3 (what one may consider an Opposition Unless Amended portion) Mid City West asks the following:

1. That City Council reconsider pursuing these fee increases entirely, and specifically that fee increases in general and/or their amounts are reconsidered for Variances and Issues at the Zoning Administrator Level (Fee Sections No. 19.01 D and 19.01 E, respectively, found in Appendix A "Cost of Service Analysis per Fee Item Studied" in the NBS study, "Fee Study, Final Report, November 14, 2016" and updated by the Dept. of City Planning in the "FeeAnalysis, November 2020" document, found in the Council File Management System as 09-0969-S3_misc_1_12-02-2020.pdf".

These sections contain actions that are often sought by neighborhood commercial businesses (and to be sure other actors as well). We are concerned that the impacts of these more common actions on small businesses has not been studied and the increases are significant, in some cases more than doubling and in some cases exceeding \$10,000.

2. That City Council reconsider pursuing fee increases for Appeals (Fee Section 19.01 B).

Appeals are something Angelenos are entitled to, and it is crucial that fees for Appeals remain affordable to all. There is no consideration in the proposed fee increases on an appellant's financial situation, or ability for relief. We are concerned that the proposed fee increases, with no ability for relief, put appeals further out of reach of normal Angelenos.

3. That City Council consider relief for applications submitted for projects in areas denoted as Neighborhood Serving Commercial in the General Plan (Neighborhood Commercial and Neighborhood Office Commercial).

Neighborhood Serving Commercial corridors are where our small retail businesses and restaurants exist. Considering both have been drastically affected by the pandemic, it is not advisable to increase fees on them--in other words if someone has the money to pay these fees, it most likely is not these businesses, nor do we want it to be, as increased fees could lead to an existing business unable to continue to operate if it say, needs a zone variance for parking, or could hinder new businesses from opening on our commercial corridors. An increase in planning fees will also make the start up costs for those seeking to start businesses in Los Angeles higher, further reducing the ability to “mom and pop”, young, minority, or otherwise potentially not-well-capitalized actors from becoming business owners. We want the little guy or gal to be able to open their dream bar, clothing boutique, nail salon, barber shop, or whatever else--not face an undue burden from costly fees raised on their backs.

4. That City Council consider a general relief from proposed fees for applicants who can show a financial hardship or burden.

Furthering what we addressed earlier, the City should at the very least, make sure those who would be unduly burdened by fees have the opportunity to seek relief from them. Any such relief should be simple to understand and simple to apply for.

5. That City Council consider delaying the implementation of any potential fee increases until at least six (6) months after enough of the population has been vaccinated against COVID-19 to end the pandemic.

As mentioned earlier, the pandemic has ravaged our small businesses, especially those in Neighborhood Serving Commercial areas that have to pay fees like restaurants and bars. It is wholly irresponsible and callous to implement massive fee increases (both in percentage and in absolute terms) on business owners after the year of hell they have had. The City Council, if it deigns to pursue fee increases should at the very least, delay any implementation of any potential fee increases until a period *after* this pandemic is over, we have achieved herd immunity through massive vaccination and people can walk outside without masks and businesses are not subject to health orders. In other words, once all people who want a vaccine has gotten a vaccine. It would be prudent to then wait a further period of at least six months to adjust to whatever our post-pandemic economy might be.

Finally, as mentioned at the top of this letter, we urge City Council to reject this entire motion outright and start again. We urge City Council to have a new study of planning fee increases prepared by City staff or an outside consultant at least six (6) months after enough of the population has been vaccinated against COVID-19 to end the pandemic. This study should include a market and impact analysis to determine how fee-payers would be impacted and what costs they could reasonably be expected to bear.

The NBS study used as the basis for the proposed fee increases (while City staff have adjusted certain numbers recently, the NBS study was the ultimate source of the methodology) was conducted in 2016, or in other words, another universe. We simply cannot rely on anything having to do with our economic landscape from before the pandemic.

Furthermore, the study was only concerned with the City side of things and comparing the City of Los Angeles' cost recovery from planning fees to other jurisdictions' cost recovery. The entire study was focused on cost recovery from the Department of City Planning to offset General Fund support.

First, we find that methodology fatally limited, as it includes no market or impact analysis on what *fee payers* could reasonably be expected to bear. Would these fee increases be easy to pay for businesses of a certain size and capitalization over others? We don't know because the study did not study it. We are proposing a massive cost increase without analyzing what that would mean for our stakeholders who would have to pay it and that is wrong and shortsighted and a disservice to all of us as Angelenos.

Second, we also, at a fundamental level, question the goal of inexorably increasing cost recovery to hit some percentage threshold deemed comparative. These are services the City has an obligation to perform for its stakeholders. Much like open data and free production of information requests, this is a service that Angelenos are entitled to, and while possibly similar to the idea in mass transit that some cost recovery is healthy for the system and tolerable for the public to bear, the City is currently proposing to increase its cost recovery from planning fees from 63% to 84%. In other words, from one arbitrary number to a higher arbitrary number. After a summer and fall where Angelenos demanded the City look more holistically into its budget priorities, we think it prudent that the City consider some fundamental guiderails for how it wants to recover costs from stakeholders and seek to work within those parameters.

This Community Impact Statement was voted on as a properly agendized item during the regularly scheduled Board of Directors meeting on March 9th, 2020, and passed unanimously by a vote of 29 yeas, 0 nays, and 0 abstaining and directed that a Community Impact Statement be filed reflecting its position.

Thank you for your attention to this matter. Please feel free to contact us via email at sepstein@midcitywest.org, or mberker@midcitywest.org needed.

Sincerely,

Scott Epstein
Chair
Mid City West Community Council

Cc:	Councilmember Hon. Marqueece Harris-Dawson (PLUM Committee Chair)	via email
	Councilmember Hon. Gil Cedillo (PLUM Vice Chair)	“
	Armando Bencomo, PLUM Legislative Assistant	“
	Councilmember Hon. Paul Krekorian (Budget & Finance Committee Chair)	“
	Councilmember Hon. Bob Blumenfield (B&F Vice Chair)	“

Andrew Choi, B&F Legislative Assistant “
Council President Hon. Nury Martinez “
Councilmember Hon. Kevin De León “
Councilmember Hon. Curren D. Price, Jr “
Councilmember Hon. Monica Rodriguez “
Councilmember Hon. Mark Ridley-Thomas “
Councilmember Hon. John Lee “
Councilmember Hon. Paul Koretz “
Councilmember Hon. Nithya Raman “
Office of Council District No. 6, Max Podemski “
Office of Council District No. 5, Daniel Skolnick “
Office of Council District No. 5, Jeff Ebenstein “
Office of Council District No. 4, Megan Healy “
Office of Council District No. 4, Tabatha Yelós “