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CITY ATTORNEY

REPORT NO. R 1 4 - 0 2 9 8

JUN 2 7 2014

**REPORT RE:**

**DRAFT ORDINANCE AMENDING TABLE NO. 4-D OF SUBSECTION (d),  
SECTION 98.0411 OF ARTICLE 8, CHAPTER IX OF THE LOS ANGELES  
MUNICIPAL CODE TO REFLECT AN INCREASE IN NON-COMPLIANCE  
INSPECTION FEES FOR BUILDINGS, OTHER STRUCTURES, OPEN USES,  
SIGNS, LICENSES AND EQUIPMENT**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

Council File No. 14-0600-S14

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This draft ordinance amends Table No. 4-D of Subsection (d), Section 98.0411 of the Los Angeles Municipal Code (LAMC) to reflect an increase in non-compliance inspection fees for buildings, other structures, open uses, signs, licenses and equipment.

Summary of Ordinance Provisions

On May 20, 2014, the City Council adopted budget resolutions with instructions to all departments with pending fee increases that were included in the Proposed Budget. All departments, with the assistance of the City Attorney, were instructed to report to Council no later than June 30, 2014, with ordinances to effectuate the change in fees. The Department of Building and Safety requested the City Attorney to prepare

and present an ordinance amending Table No. 4-D of Subsection (d), Section 98.0411 to reflect an increase in non-compliance inspection fees for buildings, other structures, open uses, signs, licenses and equipment. The Department of Building and Safety has completed the fee study in support of the fee increase reflected in the accompanying draft ordinance.

#### Fiscal Impact Statement

The increases in the proposed draft ordinance should increase annual fee revenue by approximately 20%, or \$260,000 if implemented for a full fiscal year. This one minor change is not anticipated to have a significant impact on revenues, inasmuch as the anticipated increase in the revenue has already been projected in the FY 2014-2015 Budget.

#### CEQA Determination

The California Environmental Quality Act (CEQA) does not apply to continuing administrative activities or organizational activities of government that will not result in specific direct or indirect physical changes in the environment, or to the creation of government funding mechanisms or other governmental fiscal activities that do not commit to any specific project that may result in potentially significant environmental impacts. Pub. Res. Code Section 21065 and State CEQA Guideline 15378(b). This proposed ordinance merely increases the existing non-compliance inspection fee charged by the City from \$550 to \$660, as directed by the City Council in its May 20, 2014, budget resolution and based on the Department of Building and Safety's fee study. The increased fee will continue to be used to fund the operation of the City's inspection program. On that basis, the proposed ordinance is not subject to CEQA.

#### Charter Findings Not Required

The enclosed draft ordinance strictly relates to amending the fee schedule and is not a land use ordinance. For this reason, this draft ordinance is not subject to approval by the City Planning Commission pursuant to Charter Section 559.

#### Fee Notice Requirement

We note that, because this ordinance would effectuate increases in existing fees, notice of its proposed adoption should be given in accordance with the provisions of California Government Code sections 66018 and 6062a. Those sections of State law require that prior to adoption of a new or increased fee a public hearing be held and notice of that hearing be published in a newspaper with two publications at least five days apart over a ten day period. The notice period begins the first day of publication, and there must be at least five days intervening between the first and the second publications, not counting the dates of publication.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Department of Building and Safety with a request that all comments, if any, be presented directly to the City Council or its Committees when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Kim Rodgers Westhoff at (213) 978-8242. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON  
Chief Assistant City Attorney

DM/KRW:mrc  
Transmittal