

PUBLIC WORKS AND GANG REDUCTION COMMITTEE REPORT relative to establishing a Tree Replacement and Planting In-Lieu Fee.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT the Proposed Tree Replacement In-Lieu concept.
2. APPROVE the establishment of a Tree Replacement/Planting In-Lieu Fee to act as a non-refundable deposit for private development and residential projects as an option to satisfy the Department of Public Works' Tree Replacement Policy of two-for-one tree replacement / tree removal ratio; and, provide the Department of City Planning with a permit alternative compliance option for private residential development projects to meet the City's Zoning Code requirements.
3. REQUEST the City Attorney to prepare and present an ordinance amending Los Angeles Municipal Code (LAMC) Section 62 to add a new sub-section entitled Establishment of a Tree Replacement and Planting In-Lieu Fee (a Non-Refundable Deposit).
4. INSTRUCT the Department of Public Works, the Bureau of Street Services and the Board of Public Works to annually review the cost associated with the Tree Replacement and Planting In-Lieu Fee (a Non-Refundable Deposit), and to seek Council approval for future fee changes, if necessary.
5. AUTHORIZE the Department of Public Works to collect and deposit Tree Replacement and Planting In-Lieu Fee (Non-Refundable Deposit) into the Public Works Trust Fund No. 834 to provide funding for related tree replacement, planting and establishment expenses.
6. AUTHORIZE the Director of Accounting, or designee, to establish a new Department Revenue Source Code and work with the Controller to create a new appropriation account within the Public Works Trust Fund No. 834 to collect and deposit the proposed receipts; and, on an interim basis but no less than once per fiscal year, to reimburse the General Fund from the Public Works Trust Fund No. 834 for associated accounting services expenses incurred.
7. AUTHORIZE the Board of Public Works to make technical corrections or clarifications that may be necessary to implement the intent of this action.

Fiscal Impact Statement: The Board of Public Works and the Bureau of Street Services report that the proposed Tree Replacement and Planting In-Lieu Fee will act as a non-refundable deposit to pay for the anticipated cost to plant a tree at an off-site location. At this time, it is difficult to forecast the exact amount that may be collected from the proposed In-Lieu Fee concept. However, based on the baseline review period for tree removal permits approved, the anticipated number of Tree Replacement and Planting In-Lieu receipts may range between 200 and 400 trees with a 60 percent / 40 percent mix of private development versus residential applicants, respectively. It is anticipated that the proposed concept will cost approximately \$755,000 per year, with anticipated annual receipts of \$618,060 to defray the cost. The General Fund is expected to pay the balance annual cost of \$136,140 as mandated by the LAMC for

maintaining and establishing replacement trees for residential projects. A small portion of \$57,600 will help pay for accounting services. This does not include potential impact from a reduced (sliding scale) in-lieu fee.

Community Impact Statement: None submitted.

SUMMARY

In a joint report to the Mayor dated April 8, 2016, the Board of Public Works and the Bureau of Street Services recommend actions necessary to initiate the establishment of a Tree Replacement and Planting In-Lieu Fee. The report states that tree removal permits are required when removing street trees located in the public right-of-way or for removing protected trees. Tree removal permits are approved by the City's Chief Forester pursuant to LAMC Sections 46 and 62 and in adherence to Board policies. The Board is responsible for approving, upon scheduling a public hearing, the removal of three or more street trees at a specific address or a single project containing multiple addresses, and any Southern California native trees protected by the LAMC Section 46.

The Board's current policy requires a 30-day public notice for removal of three or more street trees, public hearings for removal of three or more street trees, tree replacement on a two-for-one basis with 24-inch box size trees with three years of watering. Due to planting space limitations and/or plan design constraints, an applicant can instead deliver unplanted trees to the Bureau's nursery, subject to the approval of the Board of Public Works. According to the Board and the Bureau, many unplanted trees delivered to a City tree yard or local nursery end up unplanted for a long period of time and some eventually die.

To reduce the number of trees that go unplanted and to protect the City's urban tree canopy, the Board and Bureau recommend that applicants be allowed to pay a Tree Replacement and Planting In-Lieu Fee instead of delivering an unplanted tree to the Bureau's nursery. A fee in the amount of \$2,514 per tree would be paid for private commercial and residential development projects, and \$245 per tree for residential (non-development) projects is \$245 per tree.

At its meeting held May 9 2016, the Public Works and Gang Reduction Committee discussed this matter with representatives of the Board of Public Works and the Bureau of Street Services. Staff reported that the vast majority of trees delivered to the City nursery go unplanted. The proposal would give property owners and developers another option to comply with the City's tree replacement policy. The payment of the proposed fee would fully recover the City's cost for installing and watering for three years the replacement trees. It was further stated that an influx of new trees is needed to strengthen the City's urban forest and to enhance its age diversity.

Committee members went on to discuss replacement tree size, the sufficiency of the proposed fee amount, and how the policy would apply to protected trees located in the public right-of-way. Staff intends to evaluate the fee on an annual basis. It was stated that the 24-inch box replacement trees are the ideal size to thrive after installation. Also, the Bureau will review replacement requirements for protected trees. During the public comment period, a representative of a business advocacy group expressed support for the proposal.

The Public Works and Gang Reduction Committee recommended that Council approve the Tree Replacement and Planting In-Lieu Fee concept as well as the related actions above, as

recommended by the Board of Public Works and the Bureau of Street Services.

Respectfully Submitted,

PUBLIC WORKS AND GANG REDUCTION COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BUSCAINO:	YES
MARTINEZ:	YES
PRICE:	YES
O'FARRELL:	YES
RYU:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-