

JAN 16 2007

PLANNING and LAND USE MGT.

MOTION

The Construction Services Trust Fund was established in the Treasury of the City of Los Angeles by Ordinance No. 157,384, eff. 2-24-83 and subsequently amended by Ordinance No. 166,518; 172,189; and 173,305, eff. 6-30-00. All amounts received from charges pursuant to Sections 19.08, 68.12 and 98.0410 of the Los Angeles Municipal Code (LAMC) are placed in the Fund in addition to any appropriation to the Fund approved by the Council and Mayor.

These LAMC provisions adding a surcharge to the total of all fees imposed for any permit, plan check, license or application, specifically include "Code Enforcement Costs Incurred" and are particularly designed to ensure compliance with minimum code requirements.

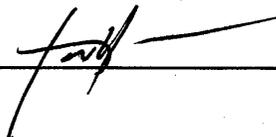
The Los Angeles Administrative Code provides for expenditures from the Fund to be made for the "design, construction and equipping of the City's Constituent Construction Services Centers and their functional support services, as well as any incidental expenses associated with said projects.." and that "Unencumbered funds remaining in the Fund will not revert to the Reserve Fund at the end of a fiscal year".

It is the City's goal to foster an environment that encourages economic development, increases housing stock, and improves the quality of life for residents and visitors of the City of Los Angeles. One way to accomplish this goal is to maximize the effectiveness of new construction through the permitting, inspection and code enforcement processes.

More than 80 percent of the revenue deposited in the Fund comes from a surcharge placed on construction-related activities such as plan check, inspection (permit fees) and reviewing various engineering reports. Ongoing code enforcement is vital to improving and maintaining a city that attracts new construction projects. Code enforcement activities are the impetus for obtaining many of the permits issued to resolve problems with troublesome buildings (rebuild a structure, repair termite damage, fix a water heater, install a new roof, etc.). The City should explore the use of the Fund to pay for expenditures that directly maximize the effectiveness of new construction.

I THEREFORE MOVE that the Council instruct the Department of Building and Safety (LADBS), with the assistance of the CAO and the City's Construction Services (One-Stop) Committee, and in consultation with the City Attorney to prepare a report within 30 days with recommendations to amend the Los Angeles Administrative Code (LAAC), and other applicable parts of the Los Angeles Municipal Code (LAMC), to allow expenditures from the City's Construction Services Trust Fund to be made for hard cost and equipment for code enforcement activities, especially for federally designated poverty-eligible census tracts, and designed to improve and enhance communities.

PRESENTED BY: 
ED P. REYES
Councilmember, 1st District

SECONDED BY: 

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