

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: November 22, 2013

CAO File No. 0220-04851-0003
Council File No. 13-0046

To: The Mayor
The City Council

From: Miguel A. Santana, City Administrative Officer *MAS*

Subject: **DEVELOPMENT SERVICES REFORM – RESTORATION OF FUNDING AND
RESOLUTION POSITION AUTHORITY**

SUMMARY

As part of the 2013-14 Adopted Budget, the Mayor and Council directed staff to functionally integrate development services programs of multiple City departments into a new development services department for the purpose of providing streamlined services and greater accountability for its customers. A joint report from the Departments of Building and Safety (LADBS) and City Planning (DCP) provided the conceptual framework for the new department (C.F. 13-0046). The Council approved the functional transfer of LADBS, DCP, planning functions from the Department of Transportation (DOT), plan-check functions from the Fire Department (LAFD), and land use planning functions from Public Works, Bureau of Engineering (BOE) into the new department effective January 1, 2014.

On September 17, 2013, the Council referred a Motion (Price – LaBonge), Council File 13-0046, relative to the work of the management consultant (Matrix) assisting the City with implementation of these actions to the Planning and Land Use Management Committee (PLUM) and Budget and Finance Committee (B&F). On October 8, 2013, the PLUM Committee approved the Motion with four additional recommendations (see below); on October 28, 2013, the B&F approved the Motion as amended by the PLUM Committee; and, on November 5, 2013, the Council adopted the Motion as amended. The Motion moved that Matrix be directed to include in their report: 1) Options other than consolidation that would improve the City's development process; 2) best practices of other large municipalities; 3) a cost benefit analysis; 4) pros and cons of consolidation; 5) other viable realignment options; and, 6) an implementation timeline. Additionally, the Motion moved that any actions to implement the functional transfer of the Departments of Planning and Building and Safety be delayed until Fiscal Year 2014-15.

The PLUM Committee amended the Motion to include four additional recommendations which included: 1) Request City Attorney to postpone preparation of Ordinances relative to development reform until the Council has considered and acted on the pending joint report from the Offices of the City Administrative Officer (CAO) and Chief Legislative Analyst (CLA); 2) Direct the CAO to report back within two weeks on what actions need to be taken to ensure the impacted departments can continue to provide services through June 30, 2014 as separate departments and/or functions if implementation of the new department is delayed until Fiscal Year

2014-15; 3) Direct CAO to report back on any changes that would need to be made to the contract with Matrix Consulting Group (Matrix) to ensure they address the issues identified in the Motion; and, 4) Direct the development services departments to continue work with the CAO, CLA, Controller, City Attorney, and Personnel Department to implement Council policy relative to development reform.

Matrix and the CAO/CLA will include in their respective reports additional information in response to these directions. Matrix and the CAO have agreed that no change to the consultant's contract or funding will be necessary as a result of the Motion inasmuch as the requested information did not materially change the contract's scope of services.

Restore Funding and Positions to Departments for FY 2013-14

In conformance with the Price – LaBonge Motion, the recommendations in this report restore funding and resolution position authority to the departments of LADBS, BOE, DOT, and LAFD for the remainder of the current fiscal year. Implementing these recommendations will result in these departments and the DCP reverting to their independent levels of funding and position authorities, so that they can continue to function through this Fiscal Year. Without implementing these recommendations, the departments of LADBS, BOE, DOT, and LAFD would no longer be able to provide the services they currently deliver effective January 1, 2014 inasmuch as the positions and funding were transferred through the Adopted Budget to the new department, but no implementing Ordinance effectuated their work in the new department.

Next Steps

Matrix is in the process of addressing the issues identified in the Motion and integrating feedback from departments on their draft report. It is anticipated that they will complete this work in the next two weeks and will thereafter submit their final report to the CAO/CLA. By year end, the CAO/CLA plan to release a joint report along with the Matrix report for consideration by the Mayor and Council. This schedule will allow time for the Mayor and Council to consider the consultant's recommendations prior to the 2014-15 Budget process. In the interim, departments have been given the option of preparing budget proposals for the Fiscal Year 2014-15 budget process to implement recommendations in the draft report from Matrix. As neither the Mayor nor Council has adopted such recommendations, these proposals are to be made at the option of the department. So that the decisions of the Mayor and Council relative to the consultant's recommendations can be reflected in department budgets in 2014-15, departments will be directed to submit supplemental and/or modified budget proposals after the CAO/CLA and Matrix report is considered by the Council and Mayor.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Transfer \$40,717,478 between various departments and funds as specified in the Attachment;

2. Continue by Resolution employment authority the following five existing positions in the Fire Department for the period of January 1, 2014 through June 30, 2014:

<u>Quantity</u>	<u>Class Code</u>	<u>Class Title</u>
1	1368_0	Senior Clerk Typist
<u>4</u>	7978_4	Fire Protection Engineering Associate IV
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3. Continue by Resolution employment authority the following four existing positions in the Department of Public Works, Bureau of Engineering, for the period of January 1, 2014 through June 30, 2014:

<u>Quantity</u>	<u>Class Code</u>	<u>Class Title</u>
1	7237_0	Civil Engineer
<u>3</u>	7246_2	Civil Engineering Associate II
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4. Continue by Resolution employment authority the following 23 existing positions in the Department of Transportation, for the period of January 1, 2014 through June 30, 2014:

<u>Quantity</u>	<u>Class Code</u>	<u>Class Title</u>
1	1358_0	Clerk Typist
1	2480_2	Transportation Planning Associate II
3	7278_0	Transportation Engineer
7	7280_2	Transportation Engineering Associate II
6	7280_3	Transportation Engineering Associate III
1	9171_1	Senior Management Analyst I
3	9262_0	Senior Transportation Engineer
<u>1</u>	9266_0	Principal Transportation Engineer
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5. Continue by Resolution employment authority the following 808 existing positions in the Department of Building and Safety for the period of January 1, 2014 through June 30, 2014:

<u>Quantity</u>	<u>Class Code</u>	<u>Class Title</u>
3	1116_0	Secretary
3	1117_2	Executive Administrative Assistant II
1	1117_3	Executive Administrative Assistant III
1	1119_1	Accounting Records Supervisor I
1	1119_2	Accounting Records Supervisor II
6	1201_0	Principal Clerk
5	1223_1	Accounting Clerk I
15	1223_2	Accounting Clerk II
1	1253_0	Chief Clerk
5	1321_0	Clerk Stenographer
1	1323_0	Senior Clerk Stenographer
71	1358_0	Clerk Typist

31	1368_0	Senior Clerk Typist
2	1431_4	Programmer/Analyst IV
3	1455_2	Systems Programmer II
2	1455_3	Systems Programmer III
2	1470_0	Data Base Architect
6	1513_2	Accountant II
1	1523_1	Senior Accountant I
2	1523_2	Senior Accountant II
1	1525_2	Principal Accountant II
1	1593_3	Departmental Chief Accountant III
11	1596_2	Systems Analyst II
3	1597_1	Senior Systems Analyst I
4	1597_2	Senior Systems Analyst II
2	1599_0	Systems Aide
1	1832_1	Warehouse and Toolroom Worker I
1	1835_2	Storekeeper II
1	2330_0	Industrial Hygienist
15	4208_4	Assistant Inspector IV
38	4211_0	Building Inspector
38	4213_0	Senior Building Inspector
8	4219_2	Assistant Deputy Superintendent of Building II
16	4221_0	Electrical Inspector
23	4223_0	Senior Electrical Inspector
13	4226_0	Principal Inspector
14	4231_0	Plumbing Inspector
12	4233_0	Senior Plumbing Inspector
6	4240_0	Fire Sprinkler Inspector
5	4242_0	Senior Fire Sprinkler Inspector
8	4245_0	Heating and Refrigeration Inspector
7	4247_0	Senior Heating and Refrigeration Inspector
146	4251_0	Building Mechanical Inspector
32	4253_0	Senior Building Mechanical Inspector
7	4254_0	Chief Inspector
7	4261_0	Safety Engineer Pressure Vessels
3	4262_0	Senior Safety Engineer Pressure Vessels
14	4263_0	Safety Engineer Elevators
6	4264_0	Senior Safety Engineer Elevators
9	7212_2	Office Engineering Technician II
7	7212_3	Office Engineering Technician III
1	7239_1	Geotechnical Engineer I
1	7239_2	Geotechnical Engineer II
1	7239_3	Geotechnical Engineer III
7	7244_1	Building Civil Engineer I
2	7253_2	Engineering Geologist Associate II
1	7255_1	Engineering Geologist I
2	7255_2	Engineering Geologist II
1	7255_3	Engineering Geologist III
1	7304_1	Environmental Supervisor I

1	7304_2	Environmental Supervisor II
2	7310_2	Environmental Specialist II
1	7310_3	Environmental Specialist III
1	7320_0	Environmental Affairs Officer
9	7525_2	Electrical Engineering Associate II
4	7525_3	Electrical Engineering Associate III
1	7525_4	Electrical Engineering Associate IV
2	7543_1	Building Electrical Engineer I
1	7543_2	Building Electrical Engineer II
11	7554_2	Mechanical Engineering Associate II
4	7554_3	Mechanical Engineering Associate III
1	7554_4	Mechanical Engineering Associate IV
2	7561_1	Building Mechanical Engineer I
1	7561_2	Building Mechanical Engineer II
6	7956_0	Structural Engineer
66	7957_2	Structural Engineering Associate II
24	7957_3	Structural Engineering Associate III
5	7957_4	Structural Engineering Associate IV
2	9171_1	Senior Management Analyst I
2	9171_2	Senior Management Analyst II
1	9182_0	Chief Management Analyst
1	9184_1	Management Analyst I
7	9184_2	Management Analyst II
3	9201_1	Deputy Superintendent of Building I
1	9201_2	Deputy Superintendent of Building II
1	9205_0	Superintendent of Building
1	9230_0	Chief Financial Officer
1	9375_0	Director of Systems
8	9425_0	Senior Structural Engineer

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6. Authorize the General Managers of the Fire Department, Public Works, Bureau of Engineering, Department of Transportation, Department of Building and Safety, or designees, to prepare instructions for any technical adjustments, subject to the approval of the City Administrative Officer, and authorize the Controller to implement the instructions.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. Approval of the recommendations in this report will restore funding and resolution position authority to the departments of LADBS, BOE, DOT, and LAFD for the remainder of the current fiscal year. Implementing these recommendations will result in these departments and the DCP reverting to their independent levels of funding and position authorities, so that they can continue to function independently through the end of this Fiscal Year.

MAS:ACA:JLK/TJM:02140050c

TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

RECEIVING DEPARTMENT <i>Fund of Origin</i>	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Building and Safety <i>Fund 100 - General Fund</i>	<u>Fund 100/68, Planning</u>		<u>Fund 100/08, Building and Safety</u>	
	001010, Salaries General	\$ 3,061,522.00	001010, Salaries General	\$ 3,061,522.00
	001070, Salaries As-needed	\$ 76,143.00	001070, Salaries As-needed	\$ 76,143.00
	001090, Overtime General	\$ 53,202.00	001090, Overtime General	\$ 53,202.00
	002120, Printing and Binding	\$ 43,717.00	002120, Printing and Binding	\$ 43,717.00
	003040, Contractual Services	\$ 110,410.00	003040, Contractual Services	\$ 110,410.00
	003310, Transportation	\$ 119,411.00	003310, Transportation	\$ 119,411.00
	004430, Uniforms	\$ 750.00	004430, Uniforms	\$ 750.00
	006010, Office and Administrative	\$ 74,422.00	006010, Office and Administrative	\$ 74,422.00
	006020, Operating Supplies	\$ 25,222.00	006020, Operating Supplies	\$ 25,222.00
			Subtotal	\$ 3,564,799.00
Fund 48R - Bldg and Safety Enterprise Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/08, Building and Safety</u>	
	001010, Salaries General	\$ 31,592,368.00	001010, Salaries General	\$ 31,592,368.00
	001070, Salaries As-needed	\$ 421,530.00	001070, Salaries As-needed	\$ 421,530.00
	001090, Overtime General	\$ 1,975,002.00	001090, Overtime General	\$ 1,975,002.00
	003310, Transportation	\$ 753,475.00	003310, Transportation	\$ 753,475.00
			48R - Bldg and Safety Enterprise Fund Subtotal	\$ 34,742,375.00
Fund 46F - Off-Site Sign Periodic Fee Trust Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/08, Building and Safety</u>	
	001010, Salaries General	\$ 136,199.00	001010, Salaries General	\$ 136,199.00
	003040, Contractual Services	\$ 2,351.00	003040, Contractual Services	\$ 2,351.00
	003310, Transportation	\$ 10,736.00	003310, Transportation	\$ 10,736.00
			Off-Site Sign Periodic Fee Trust Fund Subtotal	\$ 149,286.00
Fund 346 - Repair and Demolition Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/08, Building and Safety</u>	
	001010, Salaries General	\$ 150,000.00	001010, Salaries General	\$ 150,000.00
			Repair and Demolition Fund Subtotal	\$ 150,000.00
Fund 41M - Code Enforcement Trust Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/08, Building and Safety</u>	
	001010, Salaries General	\$ 279,816.00	001010, Salaries General	\$ 279,816.00
			Code Enforcement Trust Fund Subtotal	\$ 279,816.00
Fire <i>Fund 100 - General Fund</i>	<u>Fund 100/68, Planning</u>		<u>Fund 100/38, Fire</u>	
	001010, Salaries General	\$ 264,246.00	001010, Salaries General	\$ 264,246.00
			General Fund Subtotal	\$ 264,246.00
PW-Engineering <i>Fund 100 - General Fund</i>	<u>Fund 100/68, Planning</u>		<u>Fund 100/78, PW Engineering</u>	
	001010, Salaries General	\$ 192,356.00	001010, Salaries General	\$ 192,356.00
	001090, Overtime General	\$ 1,153.00	001090, Overtime General	\$ 1,153.00
	003040, Contractual Services	\$ 779.00	003040, Contractual Services	\$ 779.00
	006010, Office and Administrative	\$ 395.00	006010, Office and Administrative	\$ 395.00
	006020, Operating Supplies	\$ 147.00	006020, Operating Supplies	\$ 147.00
			General Fund Subtotal	\$ 194,830.00
Transportation <i>Fund 100 - General Fund</i>	<u>Fund 100/68, Planning</u>		<u>Fund 100/94, Transportation</u>	
	001010, Salaries General	\$ 123,000.00	001010, Salaries General	\$ 123,000.00
	003040, Contractual Services	\$ 10,000.00	003040, Contractual Services	\$ 10,000.00
			General Fund Subtotal	\$ 133,000.00
Fund 528 - Mobile Source Air Pollution Reduction Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/94, Transportation</u>	
	001010, Salaries General	\$ 241,379.00	001010, Salaries General	\$ 241,379.00
			Mobile Source Air Pollution Subtotal	\$ 241,379.00
Fund 540 - Prop. C Anti-Gridlock Transit Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/94, Transportation</u>	
	001010, Salaries General	\$ 415,526.00	001010, Salaries General	\$ 415,526.00
			Prop. C Anti-Gridlock Transit Fund Subtotal	\$ 415,526.00
Fund 447 - Coastal Transportation Corridor Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/94, Transportation</u>	
	001010, Salaries General	\$ 148,689.00	001010, Salaries General	\$ 148,689.00
	001090, Overtime General	\$ 35,000.00	001090, Overtime General	\$ 35,000.00
			Coastal Transportation Corridor Fund Subtotal	\$ 183,689.00
Fund 681 - West LA Transportation Improvement & Mitigation Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/94, Transportation</u>	
	001010, Salaries General	\$ 148,689.00	001010, Salaries General	\$ 148,689.00
	001090, Overtime General	\$ 35,000.00	001090, Overtime General	\$ 35,000.00
			West LA Transportation Improvement & Mitigation Fund Subtotal	\$ 183,689.00
Fund 523 - Ventura/Cahuenga Corridor Plan	<u>Fund 100/68, Planning</u>		<u>Fund 100/94, Transportation</u>	
	001010, Salaries General	\$ 144,489.00	001010, Salaries General	\$ 144,489.00
	001090, Overtime General	\$ 18,000.00	001090, Overtime General	\$ 18,000.00
			Ventura/Cahuenga Corridor Plan Subtotal	\$ 162,489.00
Fund 573 - Warner Center Transportation Development Fund	<u>Fund 100/68, Planning</u>		<u>Fund 100/94, Transportation</u>	
	001010, Salaries General	\$ 52,354.00	001010, Salaries General	\$ 52,354.00
			Warner Center Transportation Development Fund Subtotal	\$ 52,354.00
TOTAL ALL DEPARTMENTS AND FUNDS		\$ 40,717,478.00		\$ 40,717,478.00