

September 22, 2023

The Honorable City Council  
c/o Office of the City Clerk  
Room 395, City Hall  
Mail Stop 160

Attention: Councilmember Nithya Raman  
Chairperson, Housing and Homeless Committee

Councilmember Marqueece Harris-Dawson  
Chairperson, Planning and Land Use Management Committee

Councilmember Tim McOsker  
Chairperson, Personnel, Audits and Hiring

Honorable Members:

Subject: Executive Directive No. 1: Expedition of Permits and Clearances for Temporary Shelters and Affordable Housing Types, Council File No. 23-0623 – Codification of Provisions

This letter is in response to the subject-referenced motion (Yaroslavsky-Raman-Krekorian-Blumenfield) that requests the Los Angeles Department of Water and Power (LADWP) to report on the effectiveness and impact of Executive Directive No. 1: Expedition of Permits and Clearances for Temporary Shelters and Affordable Housing Types (ED 1), Council File No. 23-0623. In addition, the motion asks LADWP to provide to the Los Angeles City Council, within 90 days of the preparation of the draft ordinance, a briefing on the staffing needs associated with ensuring the full implementation of the provisions outlined within ED 1.

In response to ED 1, Ms. Cynthia McClain-Hill, President of the Board of Water and Power Commissioners (Board), and LADWP's Power System met with the community of developers focused on providing 100 percent affordable housing. The discussion informed LADWP of how the rules, hurdles, and barriers within LADWP's processes are preventing the timely and cost-effective development of grant-funded affordable housing projects within the City of Los Angeles (City).

The productive discussion with developers of affordable housing projects resulted in the Board adopting Project Powerhouse, a motion directing LADWP to determine opportunities where timelines and costs could be reduced (motion enclosed). To that end, LADWP, led by the Power System, identified opportunities and committed to expedite and streamline all deliverables from

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its internal stakeholders to ensure 100 percent affordable housing projects are served promptly. To support this effort, LADWP created the Project Powerhouse Task Force to:

- Coordinate priorities with all stakeholder groups (i.e., engineering, drafting, permitting, and construction) and customers.
- Manage and execute affordable housing projects and other new business projects simultaneously.
- Dedicate knowledgeable staff to assist and guide customers prior to project submittals and throughout the design and construction of projects where necessary.
- Ensure LADWP is meeting or exceeding stated commitments.

As a mark of success, Project Powerhouse has reduced LADWP's review, engineering, and construction timeline of affordable housing projects by an astounding 86 percent. To date, Project Powerhouse has completed 25 projects which added a total of 1,438 units to the City's affordable housing stock.

In addition to streamlining the review and connection process for projects, Project Powerhouse also eliminated the cost of public right-of-way infrastructure improvements that were previously paid for by affordable housing developers – saving significant funds for developers that can now be invested to expand affordable housing within the City.

The Board's motion forming Project Powerhouse also contemplated staffing levels. As a result, Power System is filling vacancies and adding positions where required to support Project Powerhouse and other customer-facing projects. In essence, Project Powerhouse has effectively demonstrated LADWP's commitment to prioritize, incorporate, and implement the goals and objectives set by ED 1.

If you have any questions or if further information is required, please contact me at (213) 367-1338, or you may have your staff contact Mr. Matthew A. Hale, Director, Legislative and Intergovernmental Affairs, at (213) 367-0751.

Sincerely,



Martin L. Adams  
General Manager and Chief Engineer

WJY:db/ps  
Enclosure

c/enc: The Honorable Paul Krekorian, President, Los Angeles City Council  
The Honorable Bob Blumenfield, Assistant President Pro Tempore  
The Honorable Katy Yaroslavsky, Chair, Energy and Environment Committee  
Mr. Eric Villanueva, Legislative Assistant, Energy and Environment Committee  
Dr. Frederick H. Pickel, Office of Public Accountability  
Board of Water and Power Commissioners  
Mr. Matthew A. Hale

**MOTION REGARDING EMERGENCY DECLARATION NO. 1**

The number of unhoused people in the City of Los Angeles has increased dramatically over the last decade. Recent data indicates that while making up only 9.6 percent of the State's population overall, Los Angeles is home to 25 percent of the State's unsheltered population. At any given time, over 40,000 people are without shelter Citywide.

Homelessness has disproportionately impacted Black, Indigenous, and Immigrant Angelenos. African Americans who comprise 8 percent of the City's population accounted for 33 percent of the people experiencing homelessness. The share of the population of people experiencing homelessness who identify as Hispanic or LatinX increased by 30 percent between 2020 and 2022 and now constitute 42 percent of unhoused individuals. About a third of people experiencing homelessness are women and a disproportionate share of youth experiencing homelessness identify as LGBTQ+.

On December 12, 2022, Mayor Karen Bass declared a local emergency on homelessness and on December 16, 2022, issued Executive Directive No. 1 (ED 1) to activate and further engage City departments to take the steps necessary to cut red tape, mobilize resources, save lives, and provide for the public health, welfare, and safety of Los Angeles.

The local emergency declaration coupled with ED 1 authorizes the Los Angeles Department of Water and Power (LADWP) to actively engage in reducing barriers to providing energy services to 100% Affordable Housing and Permanent Supportive Housing projects. This includes and is not limited to: reduced timelines at all stages of project review, and concurrent reviews of projects by City departments such as LADWP. Current timelines for project review and construction can take many months and current policy states that any development requiring an electric upgrade be charged for costs associated with new utility needs.

I THEREFORE MOVE, the Power System:

1. Create a task force in the Power New Business and Electrification Division, to support all 100% Affordable Housing and Permanent Supportive Housing projects as determined by eligibility guidelines set forth in the Mayor's December 16<sup>th</sup> Executive Directive No. 1.
2. Provide planning guidance through pre-development meetings for 100% Affordable and Permanent Supportive Housing projects to plan and help identify scope of work, including possible line extensions, on-site infrastructure requirements, clearances, as well as the general electric service process.

3. Reduce the preliminary project review phase to 10 days projects subject to this motion.
4. Propose process improvements/expedited timelines on specific project activities through the lifecycle of these projects.
5. Complete electrical equipment drawings for on-site equipment within 60 calendar days for Service Planning and 90 days for customer station design, once plans have been received and equipment locations have been agreed upon for all 100% Affordable and Permanent Supportive Housing projects.
6. Prioritize all Electric Service Representative inspections for projects subject to this motion.
7. Approve overtime, weekend, and holiday work to support Mayor Bass's ED 1;
8. Coordinate all unhoused projects including installing meters within five business days after all meter releases have been obtained.
9. And expedite offsite/onsite LADWP construction work after Authority to Construct has been issued to the district and/or the customer station has been released for these projects.

I FURTHER MOVE that this Board Amend Rule No. 15, Part 15-E, Section I.1. and any other applicable rules of the Rules Governing Water and Electric Service in the City of Los Angeles adopted by the Board of Water and Power Commissioners (Board) under Resolution No. 56, dated September 8, 1983, and all amendments, revisions, and replacements thereof, to reflect a new formula for Power upgrade fees, including underground line extension and customer stations costs, applicable to 100% Affordable Housing and Permanent Supportive Housing projects to reflect that during the local emergency on homelessness, the LADWP shall bear the cost and perform the design and construction of underground line extensions in the public right of way required to serve 100% Affordable and Permanent Supportive Housing projects. MAR 14 2023



Secretary