

DEPARTMENT OF
CITY PLANNING
COMMISSION OFFICE
(213) 978-1300

CITY PLANNING COMMISSION

MONIQUE LAWSHE
PRESIDENT

ELIZABETH ZAMORA
VICE-PRESIDENT

MARIA CABILDO
CAROLINE CHOE

ILISSA GOLD

KAREN MACK

MICHAEL R. NEWHOUSE
JACOB NOONAN

City of Los Angeles CALIFORNIA



KAREN BASS
MAYOR

EXECUTIVE OFFICES
200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801
(213) 978-1271

VINCENT P. BERTONI, AICP
DIRECTOR

SHANA M.M. BONSTIN
DEPUTY DIRECTOR

HAYDEE URITA-LOPEZ
DEPUTY DIRECTOR

ARTHI L. VARMA, AICP
DEPUTY DIRECTOR

LISA M. WEBBER, AICP
DEPUTY DIRECTOR

April 23, 2024

The Honorable City Council
City of Los Angeles
City Hall, Room 395
Los Angeles, California 90012

Attention: Budget, Finance and Innovation Committee

Dear Honorable Members:

DEPARTMENT OF CITY PLANNING - MAYOR'S 2024-25 PROPOSED BUDGET

The Department of City Planning (City Planning) appreciates the opportunity to provide comments on the Mayor's 2024-25 Proposed Budget. City Planning's proposed allocation for Fiscal Year 2024-25 continues support for our collective effort to address the homelessness crisis with urgency, advance attainable housing, support businesses, address climate change, create opportunity, as well as be responsible and transparent. This year's proposed budget includes initiatives that build upon City Planning's commitment to house the unhoused, weave equity and sustainability into the City Planning work programs, and expand and continue our goal of delivering outstanding City services to residents and businesses through technology and administrative efficiency. Although we, like other departments across the City, will face reductions, we are prepared to contribute towards a solution that does not reduce critical services and closely monitor our revenues and fees, which fund approximately 74% of our budget. The following points are in response to the information requested in the Chair's budget instructions:

1. Discuss the five most important things City Planning will be able to achieve with the allocation of the Mayor's Proposed Budget.

Homelessness/Affordable Housing Production

The Mayor's Proposed Budget continues resources that support City Planning's integrated policy and project planning approach to address homelessness through an accelerated affordable housing approval process and expanded policies designed to meet Los Angeles' goal of adding more than 450,000 housing units by the end of the decade. The City Planning's Housing Policy Unit develops policies that support the production of housing to address the City's housing crisis. Recent accomplishments include the preparation of permanent ordinances that would codify the streamlining benefits of Mayor Karen Bass' Executive Directive 1 (ED 1) to establish administrative review procedures for qualifying 100 Percent Affordable Housing

Developments as well as the development of the City's Housing Element Rezoning Program, which includes the preparation of a Citywide Housing Incentive Program Ordinance, Adaptive Reuse Ordinance, Housing Element Sites Ordinance, and Resident Protection Ordinance. In FY 2024-25, the Housing Policy Unit will advance the Housing Element Rezoning Program to final adoption, creating housing capacity for over 255,000 new units, including over 130,000 low-income units. The City Planning's Affordable Housing Services Section in Development Services provides technical guidance to housing developers and ensures the City continues to meet ED 1 mandated timelines, implement the Priority Housing Project program, and expedite affordable housing and mixed-income projects. In 2023, City Planning received applications for nearly 26,000 units of housing, with deed-restricted affordable units comprising 58% of those proposed dwelling units. The number of affordable units proposed by City Planning has increased by 73% between 2022 and 2023. **In the past two years alone, City Planning has entitled 34,240 housing units.** Last year, out of a total of 16,075 housing units approved by City Planning, 46% were affordable units.

Development Services and Supporting Small Businesses

City Planning continues to be instrumental in developing small businesses to stimulate economic success. The Mayor's Proposed Budget supports a number of City Planning initiatives to expand City services to small businesses by applying technological and procedural improvements that cut down on project review times, reduce costs, remove certain land use barriers, and provide greater access and transparency. City Planning's FY 2024-25 development services and small business support initiatives include launching virtual application filing and clearance services to offer simple-to-navigate platforms. These integrated virtual platforms offer a wide range of services, including application filing and clearance requests for more types of projects. In addition, efforts to expand Pre-Application Support continue to play a critical role in promoting business activity, and reducing processing times; both efforts minimize "late hits" by establishing an entitlement pre-check and land use application pre-screening service.

Climate and Sustainability

During FY 2024-25, City Planning will continue to work on its climate, sustainability, and environmental justice work programs. City Planning anticipates completing the preparation of a Climate Vulnerability Assessment (CVA), which will provide technical analysis of existing and projected climate hazards and risks to vulnerable communities throughout the City of Los Angeles. It will also explore best practices and community-informed solutions and develop recommendations on equitable climate adaptation strategies that specifically prioritize at-risk communities. The multi-year Environmental Justice Policy Program will also focus on frontline communities and update and strengthen environmental justice policies in the General Plan. Having completed the initial outreach and engagement phase, staff will be focused on the technical tasks, which include policy and program development that reflects the input received from the Environmental Justice Working Group, the inter-departmental Environmental Justice Technical Advisory Committee, as well as public feedback. The final phase of the program will include the creation of a Draft Environmental Justice and Health Element that will be released for public review and comment. Staff will also continue working on a targeted update to the Open Space Element as required by Senate Bill 1425.

New Zoning Code Launch, Implementation, and Maintenance

In January 2025, City Planning will be launching the new modernized Zoning Code, which is a comprehensive overhaul of the City's Zoning Code, the first since 1946. The New Zoning Code

creates a foundation for sustained progress to meet the City's housing, economic development, and climate sustainability goals. Council has already approved the first two portions of the New Zoning Code (also referred to as Chapter 1A); 1) Processes and Procedures (Article 13 of Chapter 1A) and 2) fundamental Los Angeles Municipal Code (LAMC) Chapter 1A sections implementing Downtown Community Plan. The Boyle Heights Community Plan and Harbor Gateway and Wilmington Community Plans have been approved by CPC. With this, City Planning will roll out the New Zoning Code through sequential Community Plan updates while also maintaining the existing Zoning Code (also referred to as Chapter 1 of the LAMC). The successful launch and implementation of a New Zoning Code requires citywide coordination and training for partner agencies and departments.

Community Engagement and Neighborhood Place-Based Planning

The Mayor's Proposed Budget continues resources for Community and Neighborhood Place-Based Planning. There are currently 16 active community plan amendments underway that are necessary to introduce new land use and zoning that create housing opportunities, foster economic growth, and support neighborhood-serving uses and small businesses. The Downtown (DTLA2040) is the first two community plans (combined into one) to apply the New Zoning Code, and the plan creates capacity for 100,000 new housing units. The Hollywood Community Plan will create capacity for 35,000 new housing units; the Boyle Heights Community Plan will create capacity for 11,000 new housing units; and the Harbor Plans were just approved by the City Planning Commission on February 4, 2024, and will create capacity for 47,000 new housing units while addressing long-standing environmental justice issues. With a city as large as Los Angeles, Community Plans are key in establishing neighborhood-specific goals and engaging with local communities at a meaningful level. Community Plans establish goals and policies that respond to the local community context while advancing the City's broader housing, economic, equity, and climate change goals.

2. Discuss any proposed changes to the budget.

City Planning appreciates the resources provided in the Mayor's 2024-25 Proposed Budget and does not have any proposed changes. City Planning will continue to work with the resources provided. We recognize, however, that the proposed deletion of 13 vacancies could potentially limit the department's ability to respond to additional needs as policy work programs build up their momentum. The deletion of vacant positions also potentially restricts the department's ability to quickly adapt and respond to fluctuating caseloads including turnaround times for development projects. The elimination of vacant positions at the Development Services Center may reduce staff available for project consultation and slower response time to customers requests for pre-application consultation, case consultations, and condition monitoring, all of which may impact lower fee collection. Additionally, the elimination of vacant positions under Major Projects may reduce the ability to build on the CEQA expertise of staff involved with the review and processing of cases related to Environmental Impact Reports and other CEQA documents.

3. Discuss any critically needed positions that can be filled by repurposing existing positions or restructuring.

For the New Zoning Code and the Downtown Community Plan to become operational in a timely manner to support the City of Los Angeles Regional Housing Needs Assessment (RHNA) obligations, the New Zoning Code must be accessible by early 2025. City Planning will be launching a New Zoning Code by January 2025 to meet state-mandated housing requirements.

To prepare the implementation of this program with limited resources provided in the Proposed Budget, City Planning will require reprioritizing deliverables for Fiscal Year 2024-25.

City Planning had requested funding for 16 new positions and the continuation of 3 positions in order to launch the New Zoning Code by January 2025. Because the request for new positions was not included in the Mayor's Proposed Budget, the department would reallocate existing positions from several divisions including, Code Studies, Office of Zoning Administration, Community Plans, and the Graphics team. The reallocation of resources from these existing work programs would result in timeline delays and impacts to services within the existing work programs such as: 1) delays or inability to initiate new citywide and community plan work programs in this fiscal year; 2) approximately a six-month delay in Report Backs and Code Amendments for all new Citywide Code Amendments; and 3) delays in Zoning Administrator case processing timelines. We are prepared to shift resources accordingly to create the least amount of impacts to services and to avoid eliminating work programs, while meeting our obligations to deliver an accessible New Zoning Code that is critical to the implementation of the Downtown Community Plan and overall success of meeting RHNA requirements.

4. Discuss how City Planning employs an equity lens in its budget requests.

From incorporating thoughtful community outreach and engagement in the development of citywide policies and community plans to offering expanded in-person and virtual services to ensure all Angelenos have access, equity is incorporated into all aspects of City Planning's budget requests. City Planning's augmented online services help provide more accessibility, convenience, and time savings for Angelenos who prefer a digital process. Plus, the South Los Angeles Development Services Center will also amplify availability, transparency, and access to City Hall services closer to underserved communities in the South Los Angeles, Watts, and Harbor areas. The New Zoning Code launch and implementation allows City Planning to create responsive, equitable zoning that balances community priorities and a supportive business climate that allows for greater flexibility to carry out the goals, objectives, and policies of each Community Plan. Overall, City Planning has been a leader when it comes to CBO collaborations and consulting with advisory groups. This technique plays an important role in fostering housing and job opportunities and balancing varying neighborhood priorities.

We look forward to discussing how City Planning will continue to serve as a critical City partner to successfully drive change on the issues that matter most to Angelenos. If you have any questions or need any additional information, please contact Deputy Director Haydee Urita-Lopez at (213) 978-1325 or via email at haydee.urita-lopez@lacity.org.

Sincerely,



VINCENT P. BERTONI, AICP
Director of Planning

- c: Honorable Budget, Finance, and Innovation Committee Members
 Carolyn Webb de Macias, Chief of Staff to the Mayor
 Matt Hale, Deputy Director of Finance, Operations and Innovation
 Bernyce Hollins, Senior Budget Director
 Rachel Freeman, Deputy Director of Business and Economic Development
 Sharon Tso, Chief Legislative Analyst
 Matt Szabo, City Administrative Officer