

ORDINANCE NO. 184548

An ordinance amending Section 5.321 of the Los Angeles Administrative Code to rename the Construction Services Trust Fund and update procedures relating to the fund; amending Los Angeles Municipal Code Sections 11.12, 19.08, 19.09, 61.03, 61.16 and 98.0410; deleting Los Angeles Municipal Code Section 68.12; and adding Sections 57.118.4 and 61.17 to the Los Angeles Municipal Code to rename and update the current "One-Stop Permit Center" surcharge fee provisions, establish the surcharge on fees in Los Angeles Municipal Code Section 57.118, and temporarily increase the surcharge to help pay for the development and implementation of a citywide development services system known as BuildLA.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 5.321 of Chapter 16 of Division 5 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

Sec. 5.321. Establishment and Administration of the Fund.

(a) The special trust fund in the Treasury of the City of Los Angeles currently named the "Construction Services Trust Fund" is hereby renamed the "**Development Services Trust Fund**," hereinafter referred to in this chapter as the "**Fund**."

(b) All funds remaining in the Construction Services Trust Fund at the time the provisions of this Ordinance become effective shall be maintained in the Development Services Trust Fund.

(c) All amounts received from charges pursuant to Sections 19.08, 57.118, 61.17 and 98.0410 of the Los Angeles Municipal Code shall be placed in the Fund. Monies from any appropriation to the Fund approved by the City Council and Mayor shall be placed in the Fund.

(d) Amounts may also be contributed to the Fund by other City funds and by gifts, donations or bequests from individuals or organizations, subject to applicable local, state and federal regulations. Any appropriation to this Fund by the City Council or the Mayor shall also be deposited into the Fund.

(e) All interest or other earnings attributable to money in the Fund shall be credited to the Fund and shall be devoted to the purposes set forth in this article.

(f) Expenditures from the Fund shall be made for the design, construction and equipping of the City's Development Services Centers and their functional support services, as well as any incidental expenses associated with said projects, such as the non-recurring expenses for the equipping of temporary quarters to house employees displaced during the construction period and repaying advances from any other fund.

(g) Funds shall not be used for reimbursement of administrative costs, except for those costs directly attributed to the portion of credit card fees used to pay for Development Services Centers Surcharge.

(h) Unencumbered funds remaining in the Fund will not revert to the Reserve Fund at the end of a fiscal year.

(i) The Mayor is authorized to make transfers among accounts that may be established within the Fund in an amount not to exceed \$50,000 per transfer.

(j) The Department of Building and Safety shall be responsible for maintaining the accounting records relating to the Fund and shall prepare monthly reports on the status of the Fund that shall be filed with the City Administrative Officer.

(k) The City Administrative Officer is authorized to establish appropriate procedures to carry out the provisions of this chapter.

(l) All allocations and expenditures from the Fund shall first be submitted to the Planning and Land Use Management Committee of the City Council for its review and recommendation. Any recommendation by the Planning and Land Use Management Committee shall be considered for approval by City Council.

Sec. 2. Footnote 2 of the table referenced in Chapter of Section 11.12 of Article 1 of Chapter I of the Los Angeles Municipal Code, which provides a summary of fees for services provided by the Bureau of Engineering, is amended to read as follows:

[2] A surcharge of 3% or \$1, whichever is greater, will be added to the listed fee pursuant to LAMC Section 19.08. The surcharge shall be returned to 2% or \$1, whichever is greater, when the cost of BuildLA is recovered under LAMC Section 19.08.

Sec. 3. Section 19.08 of Article 9 of Chapter I the Los Angeles Municipal Code is amended in its entirety to read as follows:

SEC. 19.08. SURCHARGE FOR DEVELOPMENT SERVICES CENTERS.

A. There shall be added to each fee imposed for any permit, license, or application provided for in this article, a surcharge in an amount equal to the greater of three percent of the fee or \$1.00.

B. The previous surcharge amount of two percent is increased solely to pay for the \$21.76 million cost of developing and implementing BuildLA, a comprehensive enterprise-wide development services system, and shall not be used to pay for ongoing BuildLA costs, such as maintenance or system hosting services.

C. The surcharge shall be returned to the greater of two percent or \$1.00 when the City Administrative Officer determines the surcharge increase has recovered the \$21.76 million cost of BuildLA.

Sec. 4. Section 19.09 of Article 9 of Chapter I the Los Angeles Municipal Code is amended to read as follows:

For the second and each subsequent land development counseling session conducted by the Department of City Planning and other City personnel in connection with the operation of the Development Services Centers, a fee of \$432 shall be paid.

Sec. 5. A new Section 57.118.4 is added to Article 7 of Chapter V of the Los Angeles Municipal Code to read as follows:

SEC. 57.118.4. SURCHARGE FOR DEVELOPMENT SERVICES CENTERS.

(a) There shall be added to each fee imposed for any permit, license or application provided for in Section 57.118 of this article, a surcharge in an amount equal to the greater of 3% of the fee or \$1.

(b) The revenue from two-thirds of the surcharge shall be used to provide for the cost of establishing and operating the Development Services Centers.

(c) The revenue from one-third of the surcharge shall be used solely to pay for the \$21.76 million cost of developing and implementing BuildLA, a comprehensive enterprise wide development services system, and shall not be used to pay for ongoing BuildLA costs such as maintenance or system hosting services.

(d) The surcharge shall be returned to the greater of 2% or \$1, revenue allocation to BuildLA shall stop, and all surcharge revenue shall be allocated to the Development Services Centers when the City Administrative Officers determines the BuildLA allocation has recovered the \$21.76 million cost of BuildLA.

Sec. 6. Paragraph (a) of Section 61.03 of Article 1 of Chapter VI of the Los Angeles Municipal Code is hereby amended to read as follows:

(a) There shall be a surcharge equal to the greater of seven percent of the fee or \$1 added to the total of all fees for which the Bureau of Engineering is responsible for collecting for services rendered for any initial application, renewal, modification or approval, pursuant to the provisions of: Article 1, 2, 2.1, 3 or 4 of this chapter; Article 2, 5, 7, 8 or 9 of Chapter I; Article 1 or 6 of Chapter IX of this Code; or Division 7, 12, 13, 19 or 22 of the Los Angeles Administrative Code. The provisions of this subsection shall not apply to the Development Services Centers Surcharge imposed pursuant to Section 61.17, or to fees imposed pursuant to the provisions of Section 61.10, 61.11, 64.11.2, 64.11.3, 64.16.1, 64.15 (b) or 64.18.

Sec. 7. The table referenced in Section 61.16 of Article 1 of Chapter VI of the Los Angeles Municipal Code, which provides a summary of fees for the Bureau of Engineering, and Footnote 2 of that table is amended in part to read as follows:

Surcharge for Development Services Centers	61.17	Footnote [2]
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Footnotes:

[2] A surcharge of 3% or \$1, whichever is greater will be added to the listed fee pursuant to LAMC Section 61.17. The surcharge shall be returned to 2% or \$1, whichever is greater, when the cost of BuildLA is recovered under LAMC Section 61.17.

Sec. 8. A new Section 61.17 is added to Article 1 of Chapter VI of the Los Angeles Municipal Code to read as follows:

SEC. 61.17. SURCHARGE FOR DEVELOPMENT SERVICES CENTERS.

(a) There shall be added to each fee imposed for any permit, license or application provided for in Articles 1, 2, 4 and 4.4 of this chapter, a surcharge in an amount equal to the greater of three percent of the fee or \$1.

(b) The previous surcharge amount of two percent is increased solely to pay for the \$21.76 million cost of developing and implementing BuildLA, a comprehensive enterprise-wide development services system, and shall not be used to pay for ongoing BuildLA costs such as maintenance or system hosting services.

(c) The surcharge shall be returned to the greater of two percent or \$1 when the City Administrative Officer determines the surcharge increase has recovered the \$21.76 cost of BuildLA.

(d) The provisions of subsection (a) of this section shall not apply to fees imposed pursuant to the provisions of Section 61.03, 61.10, 61.11, 61.12, 62.01, 62.61, 62.84, 62.88, 62.96, 62.103, 62.118.1, 62.118.2, 62.132, 62.133, 62.201, 64.03, 64.10, 64.11.2, 64.11.3, 64.16.1, 64.15 (b), 64.18 or 64.30.

Sec. 9. Section 68.12 of Article 8 of Chapter VI of the Los Angeles Municipal Code is deleted.

Sec. 10. Section 98.0410 of Division 4 of Article 8 of Chapter IX of the Los Angeles Municipal Code is amended in its entirety to read as follows:

SEC. 98.0410. SURCHARGE FOR DEVELOPMENT SERVICES CENTERS.

(a) There shall be a surcharge equal to the greater of three percent of the fees or one dollar added to the total of all fees imposed for registration of medical marijuana collectives provided for in Article 5.1 of Chapter IV of this Code and for any

permit, plan check, license, application, report and inspection provided for in Articles 1 through 8 of this chapter, excluding Sections 91.6205.18, 91.107.4.4, 91.107.4.6, 98.0402, 98.0411, 98.0416, 98.0418 and 98.0716 of this Code. All monies received from this surcharge shall be deposited to, and expended as provided for, the Development Services Trust Fund pursuant to Section 5.321 of the Los Angeles Administrative Code.

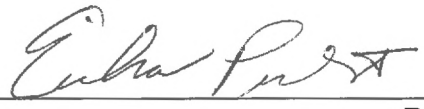
(b) The previous surcharge amount of two percent is increased solely to pay for the \$21.76 million cost of developing and implementing BuildLA, a comprehensive enterprise wide development services system, and shall not be used to pay for ongoing BuildLA costs such as maintenance or system hosting services.

(c) The surcharge increase shall be returned to the greater of two percent or one dollar when the City Administrative Officer determines the surcharge increase has recovered the \$21.76 million cost of BuildLA.


Sec. 11. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of OCT 25 2016.

HOLLY L. WOLCOTT, City Clerk

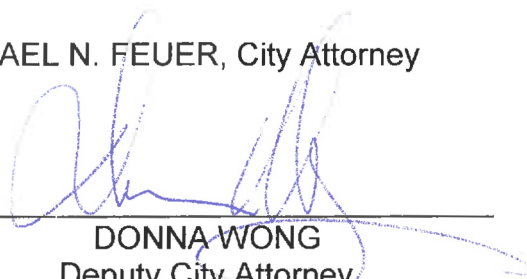
By 
Deputy

Approved 10/31/16


Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
DONNA WONG
Deputy City Attorney

Date 2-1-2016

File No(s) 15-0316, 13-0046

DECLARATION OF POSTING ORDINANCE

I, JUAN VERANO, state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No. 184548 – Amending the Los Angeles Administrative Code and the Los Angeles Municipal Code Regarding the Development Services Reform Initiative – a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on **October 25, 2016**, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on **November 1, 2016** I posted a true copy of said ordinance at each of the three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Copies of said ordinance were posted conspicuously beginning on **November 1, 2016** and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this **1st** day of **November 2016** at Los Angeles, California.



Juan Verano, Deputy City Clerk

Ordinance Effective Date: **December 11, 2016**

Council File No. **15-0316, 13-0046**