

MOTION

The City of Los Angeles is experiencing a critical housing shortage that has resulted in a severe lack of affordability that has contributed to homelessness and Angelenos being rent burdened. On December 16, 2022, Mayor Bass signed Executive Directive One (ED1), *Expedition of Permits and Clearances for Temporary Shelters and Affordable Housing Types*, aimed at significantly reducing the time of permitting process for affordable housing. In June 2023, the City Council adopted a Motion (Yaroslavsky-Raman-Krekorian-Blumenfield, CF 23-0623) to make the changes in ED 1 permanent. While these changes expedite the process for building affordable housing, more procedural and policy changes are necessary to address the overall housing shortage.

A recent report from the UCLA Ziman Center for Real Estate, in collaboration with the Los Angeles Business Council Institute, entitled *Tackling the Housing Crisis: Streamlining to Increase Housing Production in Los Angeles*, found that a lengthy approval process for Los Angeles Department of Water and Power (LADWP) utility service connections plays a significant role in delaying housing production. Power service installation data from LADWP shows that on average, underground power installations added about eight months to a housing project timeline, while overhead work added approximately five months. In addition to the time delay, some housing projects are bearing a disproportionate cost of new high-voltage infrastructure. For example, LADWP charges the full cost of new high-voltage infrastructure to the first housing project in a given area, and charges just the cost of extending that new infrastructure to subsequent housing projects in the same area, creating an inequity of the costs charged to developers for similar projects and a significant disincentive to being the first to build.

Recently, LADWP launched a pilot program known as Project PowerHouse to address these issues for 100% affordable housing projects and permanent supportive housing. According to LADWP, Project PowerHouse aims to: "(1) Eliminate costs for routing power to the selected development projects – commonly referred to in infrastructure terms as a 'line extension' – that otherwise would be paid by a developer, (2) Determine power needs for 100% affordable housing developer faster through up-front coordination with a developer's architects, and (3) Significantly shorten the time frames for LADWP approvals of a development's on-site electric service plans." This program is an important step in the right direction, but more changes are needed if the City is going to build enough housing of all kinds to meet the demand.

Addressing the housing crisis and meeting the City's Housing Element goal of building approximately 457,000 new housing units by 2029 is a top priority of the City Council. In order to do this, the City Council must consider structural changes to LADWP's policies and processes regarding housing development. The American Institute of Architects – Los Angeles has drafted recommendations on how LADWP can improve service delivery to housing developments and these recommendations merit consideration.

I THEREFORE MOVE that the Los Angeles Department of Water and Power (LADWP) report back to Council within 60 days with a plan to:

- Expand "Project Powerhouse" beyond 100% affordable projects;
- Increase up-front commitment in the design approval process, ensuring preliminary plans are approved by supervisors expeditiously;

- Establish a process to allow for pre-submittal courtesy meetings with applicants, providing guidance on their proposed projects, helping the applicants make more informed decisions;
- Establish a process to allow architects to discuss projects with pole spotters or overhead designers early in the planning phase prior to full encroachment submittal;
- Allow all applications to be submitted online and tracked in real time;
- Establish clear performance schedules with accountable timelines for each stage of a project;
- Establish clear project flow diagrams with clearer notes and processes, and put project flow diagrams online and make them easily accessible to the public;
- Improve coordination across offices and staff within LADWP, particularly when forecasting power needs when several projects are being constructed simultaneously on the same circuit capacity;
- Establish a concierge-type service for all new multifamily housing projects to ensure they receive clear and consistent communication and guidance from the Department.

I FURTHER MOVE that LADWP evaluate the report prepared by the American Institute of Architects - Los Angeles dated August 17, 2022 entitled *Livable Streets, Safety and Affordability*, and the letter sent to LADWP and the Board of Commissioners regarding *Needed Best-Practices to Optimize Safety, Environmental Performance, Constructability, Efficiency and Access To Affordable Housing*.

I FURTHER MOVE that LADWP review other electrical utilities' best practices and report back with recommendations for code and/or policy changes necessary to expedite construction, promote economic activity and increase the housing stock.

I FURTHER MOVE that LADWP report back on the staffing resources and technology needed to make these improvements.

I FURTHER MOVE that LADWP report back with (i) an outline of electrical and water infrastructure needs it anticipates will be necessary to meet the 2021-2029 Housing Element's new housing goals, and how those needs impact LA100 power infrastructure needs and opportunities; and (ii) an assessment of potential funding mechanisms that could be used for up-front infrastructure investments, including state and federal grants, City discretionary funds, and other sources.

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 Councilmember, 2nd District

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