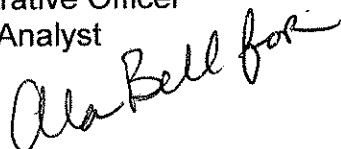


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: September 16, 2013

To: Miguel A. Santana, City Administrative Officer
Gerry F. Miller, Chief Legislative Analyst

From: Michael J. LoGrande, Director



Reference: Council File 13-1300-S1

Subject: (s) Revise Development Agreement to Provide Funding

On August 6, 2013 City Council directed the City Administrative Office and Chief Legislative Analyst with assistance from the Bureau of Street Services, Bureau of Sanitation, Department of Transportation and the Department of City Planning to report back on recommendations for new policies to structure development agreements to provide funding for needed street and alley repair and maintenance in the areas include in such agreements.

Pursuant to Sections 65864 through 65869.5 of the California Government Code which authorize municipalities to enter into binding Development Agreements with persons having legal or equitable interest in real property for the development of such property, and with conformance to the City of Los Angeles Department of City Planning's Special Instructions for Private Project Development Agreements (City Planning Commission Case 86-404), the City of Los Angeles may enter into agreements with applicants of development projects that serve to extend the life of the project entitlements through the term of the agreement. Development Agreements freeze many regulations and requirements in place, to provide assurance to the developer for a project that may be built in phases over a longer time period. In exchange for this predictability, the applicants provide community benefits which vary in scale and depend on the scope of the project and the needs of the community in which the development will occur. Development Agreements are legislative acts subject to approval by the City Council. The City of Los Angeles has adopted rules and regulations establishing procedures and requirements for consideration of development agreements under Citywide Development Agreement Procedures (CF 85-2313-S3).

The Department of City Planning is in the process of establishing improvements to the Development Agreement program, to ensure the City is well prepared to review and process the applications and provide for effective and meaningful public benefits. Goals of the program include updating and improving application requirements, updating document templates, reforming monitoring and reporting functions, and establishing "best practices" for how to determine appropriate public benefits.

Public benefit packages for approved Development Agreements have commonly included streetscape improvements and pedestrian amenities, funding for transportation amenities such as Metro station access improvements and informational kiosks, contributions to community programs for educational or training purposes, and provision of publically accessible open spaces and meeting locations. A key feature of Development Agreement benefits is there is no necessary nexus between the benefit and the project; moreover the benefits must offer amenities or improvements that go above and beyond that otherwise required by the City's regulations or through environmental mitigation measures.

As part of the Department of City Planning internal efforts to improve the Development Agreement negotiation and approval process, the Department will seek input from BSS, BOE, and LADOT on appropriate language and terminology, appropriate locations and scope, and appropriate funding amounts so that street and alley repair and maintenance for street and alleys is among the prioritized list of public benefit items that the Department will pursue through Development Agreements. A key feature of the program will include a list of "best practices" indicating prioritized benefits with previously vetted standards and language that can be identified early on in the process and routinely added as items in subsequent Development Agreements. Currently, an internal working group has established the program goals, identified program components, and will begin work in the next several months on drafting recommendations. The inclusion of the Save Our Streets LA directive within the Department's current work program is timely. Ultimately, the Development Agreement program and documents will be presented to the City Planning Commission for their approval.

RECOMMENDATION

That the Council instruct the City Administrative Officer and the Chief Legislative Analyst, with the assistance of the Bureaus of Street Service and Sanitation, along with the Departments of Transportation and Planning to continue to develop recommended language about street and alley repair for potential inclusion in future Development Agreements and present the information to the City Planning Commission.