Many Large and Moderate Projects Continue to Move through the Construction Pipeline

The table below provides a comparison YTD (7/1-9/30) between last fiscal year (FY) and the current FY for leading construction indicators. The data illustrates that constructions activity remains robust with healthy increases in almost every category.

<table>
<thead>
<tr>
<th>Construction Indicator</th>
<th>YTD 2014</th>
<th>YTD 2015</th>
<th>% Change</th>
<th>FY 15-16 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Valuation</td>
<td>1.764 Billion</td>
<td>1.733 Billion</td>
<td>-2%</td>
<td>6.9 Billion Valuation</td>
</tr>
<tr>
<td>Dwelling Units Permitted</td>
<td>2,580</td>
<td>3,821</td>
<td>48%</td>
<td>15,284 Units</td>
</tr>
<tr>
<td>Permits Issued</td>
<td>35,800</td>
<td>40,356</td>
<td>13%</td>
<td>161,424 Permits</td>
</tr>
<tr>
<td>Plans Checked</td>
<td>12,440</td>
<td>13,522</td>
<td>9%</td>
<td>54,088 Plans</td>
</tr>
<tr>
<td>Inspections Made</td>
<td>186,823</td>
<td>208,891</td>
<td>11%</td>
<td>750,000 Inspections</td>
</tr>
</tbody>
</table>

1 Construction Valuation shows a slight decrease; however, the FY 15-16 Projection is approximately 1% higher than last FY ($6.9 vs $6.8 Billion).

LADBS’ Inspection Case Management Services in Demand

LADBS launched Inspection Case Management (ICM) in July 2014 to provide comprehensive customer assistance during the construction phase from holding pre-construction meetings to the issuance of a Certificate of Occupancy for any project with a construction valuation of at $10 million or greater. During the past 14 months, ICM has grown to a major service that we offer to reduce construction time for many projects. Currently, as depicted by the graph below, there are 110 projects with a total construction valuation of almost $6 billion in the ICM pipeline.

The key to ICM’s success is LADBS’ series of all-hands-on-deck meetings with stakeholders (developers, Development Services agencies / departments, etc.) to navigate them through the construction process. ICM customers have resoundingly indicated that they like the Program. Many have said that it has saved them months of construction which translates to lower construction costs (shorter construction loans) and has accelerated the generation of income for them (rent/sales) and the City. ICM and LADBS’ other customer assistant programs have helped LA become the place to develop, dwell, do business, and visit.

If you need ICM services for your project, please visit our website at http://ladbs.org/LADBSWeb/icm.jsf or call 213-482-0464 or send an email to LADBS.ICM@lacity.org.

LADBS Received the Mayor’s Civic Innovation Award for its Concierge Services

On August 13, 2015, Mayor Garcetti presented his Civic Innovation award to LADBS at the Van Nuys Development Service Center for our Concierge Services Program. LADBS’ Concierge Program assists customers (homeowners, small business owners, contractors, etc.) who may not be familiar with the services provided by all the departments located at the Metro and Van Nuys Development Services Centers. The Mayor praised LADBS for being an innovative leader and encouraged us to do more to make the development process easier for our customers. We have assisted more than 18,500 Concierge customers since November 2014 when the program was launched and more than 4,400 Concierge customers since receiving the award in August 2015.
Recently Implemented Service Enhancements

- **LADBS Go - A Mobile App to Access LADBS Services**
  
  Mayor Garcetti announced on October 13, 2015 the launch of LADBS’ new mobile app called “LADBS Go”. The app provides easy access to LADBS’ most-requested services from a smart phone. These services include requesting inspections, accessing permit information, reporting code violations, and obtaining real-time Development Services Center counter wait times. The wait-time feature saves customers time and money by helping them avoid long lines during busy hours. “Modernizing government and improving customer service through technology is a key part of my Back to Basics agenda,” said Mayor Garcetti. LADBS Go makes it easier to do business and get city services anywhere, at any time. LADBS Go is free to download for iOS® (App Store) and Android™ (Google Play™) devices.

- **Seismic Retrofit Ordinance (Ord 183893)**
  
  The Ordinance was adopted October 9, 2015 with an effective date of November 22, 2015. The purpose of the Ordinance is to promote public welfare and safety by reducing the risk of death or injury that may result from the earthquake hazards which are deemed to exist in the City. The Ordinance will reduce the risk of death or injury that may result from the earthquake hazard by establishing mandatory standards for earthquake hazard reduction in existing soft-story and non-ductile concrete buildings which are defined in part as follows:

  - **Soft Story buildings** – Wood-frame multi-story buildings constructed prior to 1980 with soft, weak or open front walls (buildings with 3 or less units are exempted). LADBS, through site inspections, determined that there are 13,500 such buildings in the City.
  
  - **Non-ductile buildings** – Concrete buildings constructed prior to 1976. The poor performance of these older concrete buildings is typically due to deficiencies in the lateral force resisting system (beams, columns and joints).

- **Notification to Owners.** LADBS will send a courtesy letter to the owners of buildings that fall within the scope of the Ordinance which includes information regarding compliance, appeals, and exemptions. An Order to Comply (OTC) will be sent subsequent to that letter.

- **Compliance Timelines For Soft Story Buildings**
  - Within 1 year from date of the OTC to submit plans to retrofit or demolish the building or proof of a retrofit.
  - Within 2 years from the date of the OTC to obtain a retrofit permit.
  - Within 7 years from the date of the OTC complete construction.
  - **Compliance Timelines For Non-ductile Buildings**
    - Within 3 years from date of the OTC to provide an engineering checklist indicating if the building is or is not within the scope of the Ordinance.
    - Within 10 years from date of the OTC provide either of the following: 1) Proof of retrofit; or 2) Report describing timelines to retrofit; or 3) Demolish.
    - Within 25 years from the date of the OTC complete the demolition or retrofit.

- **Development Services Case Management Lowers Thresholds for Providing Full DSCM Services**
  
  DSCM lowered the thresholds for projects to qualify for full DSCM services on October 1, 2015. The new thresholds are: Construction valuation greater than $5 million, or greater than 30 dwelling units, or greater than 30,000 sq ft of non-residential floor area. DSCM services include feasibility studies, pre-development meetings with all City case managers, preliminary plan review for technical code issues and project navigation. Due to these changes, we estimate a 20% increase in projects fully handled by DSCM (from 569 to 680 projects).

Service Enhancements for the Upcoming Year

LADBS continues to reach out to attract more investment into the City and expand and extend the current development cycle through the following service enhancements:

- **Technology Enhancements**
  
  New LADBS Website. LADBS will revamp and modernize its website to be more user-friendly, so the public can effortlessly find solutions to their inquiries. (Jan 2016)

- **Sustainable City pLAn**
  
  - **Energy Efficient Buildings**
    
    LADBS will work with the Mayor’s Office and DWP to develop a building energy-use disclosure ordinance. (Jan 2016)

- **Grey Water Ordinance**
  
  LADBS will work with the Mayor’s Office and DWP to draft a water conservation ordinance that includes a mandate to make new buildings “Grey Water Ready.” (Jan 2016)

**COMMITMENT TO OUR CUSTOMERS**

Your project is important, we strive to provide you with superb service and your feedback is important to maintaining this level of service. If you want to recognize a staff member, file a complaint, comment on the service you received, request additional assistance, or a second opinion on any plan check or inspection issues regarding your project, please provide feedback to LADBS’s website located at http://www.ladbs.org or call (213) 482-6755. The LADBS and LAFD (Fire Dept) Customer Service Code of Conduct is located at http://ladbs.org/LADBSWeb/customer-code-of-conduct.jsf.