

VIA EMAIL

January 15, 2025

Hon. Karen Bass, Mayor, City of Los Angeles Members of the City Council City Hall Los Angeles, CA 90012

Re: Rebuilding Los Angeles Post-Wildfires – Recommendations from Local Builders

Dear Mayor Bass and Councilmembers:

On behalf of the Council of Infill Builders, a statewide organization of real estate professionals committed to improving the quality of California's in-town, transit-oriented communities, I write to offer recommendations for urgent actions that can be taken to rebuild Los Angeles more sustainably and equitably in the wake of these devastating wildfires, including new building in transit-rich areas to absorb displaced residents and stabilize prices for all. Our members have informed these recommendations based on their experience building current or recent infill projects within the City of Los Angeles, with a focus on transit-oriented, multifamily developments.

First and foremost, we support Councilman Raman's January 15, 2025 motion urging the City to explore expediting permit processing by providing the option for architect self-certification for projects of three stories and less, as well as commercial interior improvements. New York City, Chicago, Phoenix, San Diego and the City of Bellflower in Southern California all offer this voluntary option for licensed architects and engineers to skip the plan check process and go straight to building permits for smaller projects. This approach eliminates redundancy, as licensed architects already know the code, and inspectors can then enforce the code during construction rather than during the plan phase. Self-certification therefore saves builders time and money, while reducing the burden on city staff, who would then have more time to focus on the complex projects that truly require plan checks. Today, 59% of plan checks are for single family remodels, additions and new builds. 27% are for commercial projects, including interior tenant improvements. Failing that option, the City should consider allowing third-party inspection for less complicated projects to relieve city inspectors the burdens of inspecting the thousands of projects that will flood the system.

In addition, the devastation caused by these wildfires presents opportunities to offer more Angelenos the chance to live and work near existing transit and services. "Pocket" small-scale infill development with projects less than 25,000 square feet in size and in low vehicle-miles traveled neighborhoods could revitalize both burned out areas and existing communities that will need to house those displaced from the fires. Furthermore, the City could invest in area-wide infrastructure improvements that would incentivize redevelopment of commercial properties

that include mixed-use with a residential component, unlocking more housing in existing communities and increasing resilience and leveraging funding. Provided these projects do not displace existing rent-controlled units, they could contribute to addressing the soaring demand for housing and therefore help stabilize prices for residents of all incomes.

Yet due to inadequate infrastructure, high construction costs and onerous local requirements, these critical projects will not materialize on their own, and certainly not at the scale needed to address the housing shortage and attendant escalating housing prices. Fortunately, the City has within its power the tools to address these challenges and take immediate action to spur these "pocket" infill projects. **The City could:**

- Convene a **public/private task force** of builders (large and small), architects, and city development services officials to meet on a monthly basis to trouble-shoot process issues and coordinate larger efforts
- Invest public dollars to **rebuild area-wide infrastructure**, allowing for private capital to be used for hard costs and make homes more resilient (metal roofs, sprinklers, etc.)
- Suspend parks, schools and linkage fees to reduce costs for all new housing in the pipeline to remove barriers for shovel ready projects
- For new housing being proposed, eliminate barriers to home ownership, eliminate subdivision map act off-site requirements, including requirements for underground frontage improvements
- Incentivize new and already entitled/approved projects to start construction more quickly,
 - Remove mandates for these projects to include below-market rate units or
 inclusionary housing requirements at such a small scale, these projects cannot
 economically sustain losses on these units as larger projects are able to do
 - o **Support prevailing wage exemptions for small projects,** which can add as much as \$133,000 in costs per unit, while many of these smaller projects are already too small for unionized labor to bid on anyway
 - Refrain from conditioning project approvals on the expansion or improvement of frontage and offsite utilities, which could be otherwise provided for by the City as part of the public space
- Exempt all properties with substantial recent construction from transfer taxes for 15+ years

I hope these recommendations are useful and actionable. We are available for further discussion on any or all of them. We stand ready to help the City and its residents rebuild from these tragic events and help create a more sustainable Los Angeles going forward.

Sincerely,

Mott Smith, Chair, Board of Directors

Council of infill Builders