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COMMENTARY

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Subdivide and Conquer

Benedict Canyon residents hope to hold up proposed estate home by misusing L.A. city code on single lots.

By BENJAMIN M. REZNIK

WHAT a way to start off the year. As if things were not bad enough, the city of Los Angeles has just adopted a new policy that will cause many large home projects slated for construction this year to be delayed well into 2013.

We know at least a few dozen such homes are proposed in Los Angeles. Since each costs about \$20 million to \$80 million to build, more than \$1 billion in construction now faces being delayed by the new policy. That would equate to the loss of several thousand jobs this year. Indeed, some of these estate projects generate more jobs than many commercial and multifamily projects. Here is the story:

The city has adopted a new interpretation of an existing city code section in an attempt to appease a well-heeled group of neighbors in Benedict Canyon who want to stop one particular project – an estate home on Tower Lane, whose owner we represent. This proposed interpretation was crafted internally and not subjected to public input. In fact, only one Los Angeles city councilman was aware of it.

The subject code (it is section 91.7006.8.2, if you want to read it) basically deals with the need for a “tentative tract map” (i.e., subdivision of land) when the grading area site is in excess of 60,000 square feet. It did not apply (nor was it logical to apply it) to a situation where the applicant was seeking to build a single-family residence on a single legal lot without seeking to subdivide the land.

Indeed, that was exactly how the city had interpreted and applied this ordinance over the past 30-plus years. For the past several decades, when an applicant sought a building and grading permit for a home on a single legal lot that involved more than 60,000 square feet of grading, the city had always taken the position that the code section was not applicable because the owner was not looking to create more lots and, therefore, the subdivision laws were not applicable. In such cases, the city would proceed to exempt the project from this code section and clear this requirement from the plan check correction sheet.

Architects and civil engineers experienced in these projects explain that when they presented grading plans for a house on a single legal lot, the city staff would recognize that no subdivision was involved and would immediately exempt the project from this code section. But that is no longer the case under the new interpretation.



Los Angeles City Hall

This process will add a year's delay to many of the proposed home projects, resulting in the loss of more than \$1 billion in construction. And all for what? At the end of the day, after causing lengthy delays, the projects will still be built (unless, of course, the city has so discouraged an owner that he gives up on it altogether).

Starting immediately, new homes on single legal lots that comply with every rule and regulation, and that are proposed to be built within all the limits of the zoning and hillside ordinances without requiring any variances or adjustments whatsoever, will nevertheless be forced to go through a cumbersome and lengthy discretionary application process if even the slightest amount of grading is needed and the lot size exceeds 60,000 square feet. This will also apply to multifamily or commercial projects located in hillside areas (e.g., Silver Lake, Echo Park, everything north of Sunset Boulevard, East L.A., etc.).

In other words, the notion of a “by right” house project in Los Angeles has been substantially curtailed and in hillside areas completely eliminated.

Talk about a total waste of time! This process will add a year's delay to many of the proposed home projects, resulting in

the loss of more than \$1 billion in construction. And all for what? At the end of the day, after causing lengthy delays, the projects will still be built (unless, of course, the city has so discouraged an owner that he gives up on it altogether). While this may be the goal of some of the Benedict Canyon neighbors, it is bad public policy, horrible economic policy and all in all very bad for Los Angeles.

I was under the impression that Los Angeles has been trying to streamline the development process to encourage more construction under its adopted plans, to expedite the approval process, and to get more people back to work. Guess I was mistaken.

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