

## THE L.A. ENTITLEMENT PROCESS IS STILL UP AND RUNNING, SORT OF DEVELOPERS CAN STILL SECURE ENTITLEMENTS THROUGH AN ALL-VIRTUAL PROCESS. EVEN PUBLIC HEARINGS ARE DONE ONLINE.

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Los Angeles is continuing to process entitlements, even in the midst of a pandemic. That is certainly saying something for a city that is often ridiculed for its lengthy, arduous entitlement process. The City of Los Angeles has moved the process online—even public hearings—and extended major deadlines to keep the pipeline moving. Of course, nothing is perfect, but so far, most developers have said the virtual experience is holding up.

“All of the planning counters in L.A. and L.A. County have gone remote,” **Alex DeGood**, land use partner at California-based real estate-focused law firm **Cox, Castle & Nicholson**, tells GlobeSt.com. “Ostensibly, you can submit most things online or dropped off physically without interaction. I have heard varying reports with how well that is working. It is about the same level as before, and we’ll see how well this plays out and how long we are in this level of lockdown.” As a result, developers are able to keep moving on existing projects and new projects, and almost all developers already underway on a project have taken that option. “If you have already

invested significantly, unless there is an immediate cataclysmic financial issue that prevents you from being able to go forward, you are going to go forward,” says DeGood. “All of those projects that are in the pipeline are moving forward.”

Breaking ground is a different story. Some projects will finish the entitlement process and wait to develop, depending on financing. Traditionally financed developments will have an easier time moving forward, but more complicated capital stacks are more likely to stall. “Those are the projects that are going to be impacted the most,” says DeGood.

Housing developments, on the other hand, are moving ahead without issue. “We still have a housing crisis, and that is not going to change,” adds DeGood. “Developers building residential in a core market are going to be okay, and those developers are likely going to go forward with their projects.”

While the remote-entitlement process has been smooth, the city has also extended deadlines to ease the process. This includes building permits; plan check, for those in the process of obtaining permits; and timelines tied to municipal codes, giving the city flexibility as well. Finally, the city extended the time for developers to effectuate an entitlement. “All of these extensions have been extended for the duration of the emergency,” says DeGood. “That is, they have been indefinitely extended in the city.”

Some extensions, however, actually stop developments from moving forward. The state has extended litigation statutes of limitations for all civil litigation, but didn’t give any guidance on land disputes; however, statutes are shorter for land disputes. “The CEQA statute is 30 days from the filing of the notice of determination and the statute of limitation for other land use challenges is 90 days,” says DeGood. “The standard statute of limitation for general litigation is 3 to 5 years of statutes of limitations. The State didn’t make any distinction with respect to CEQA or planning and zoning challenges, effectively extending the limitation to 90 days after the emergency. That is a massive extension with respect to development projects.”