

## RESOLUTION

**WHEREAS**, the City Council of the City of Los Angeles (“Council”) recognizes that the City of Los Angeles (“City”) is facing a housing crisis, and further acknowledges the need to facilitate the availability of housing products at different levels of affordability in order to address the housing needs of the entire community;

**WHEREAS**, on December 13, 2017 the Council adopted the Affordable Housing Linkage Fee Ordinance, Los Angeles Municipal Code (“LAMC”) Section 19.18, *et seq.* (“Affordable Housing Linkage Fee”), in order to help address the increased need for affordable housing connected with new commercial development and the development of new market rate residential units;

**WHEREAS**, on the same date, the Council also adopted Motion 8A, instructing the Department of City Planning and the Housing and Community Investment Department to prepare and present an analysis of the market impacts of increasing the fee that applies to residential uses in “High Market Areas” to \$18 per square foot;

**WHEREAS**, the Council has caused a study to be prepared that analyzes whether there is a reasonable relationship between the development of commercial projects and new market rate residential units and the need to increase the supply of new affordable housing;

**WHEREAS**, that study, prepared by BAE Urban Economics, entitled “Los Angeles Affordable Housing Linkage Fee Nexus Study” dated September 2016 (“Nexus Study”), demonstrates that such a nexus exists, and that the use of an Affordable Housing Linkage Fee for the purposes of increasing the supply of affordable housing in the City is justified;

**WHEREAS**, as discussed in a May 2, 2018 report prepared by the Department of City Planning, the Nexus Study further demonstrated that a residential Linkage Fee amount of \$18 per square foot in “High Market Areas” would be consistent with the California Mitigation Fee Act as well as economically feasible for all types of residential development;

**WHEREAS**, pursuant to the Affordable Housing Linkage Fee Ordinance, the City Council must adopt by resolution a Linkage Fee schedule based on analysis of the cost of mitigating the impact of the additional demand for affordable housing caused by Development Projects; and

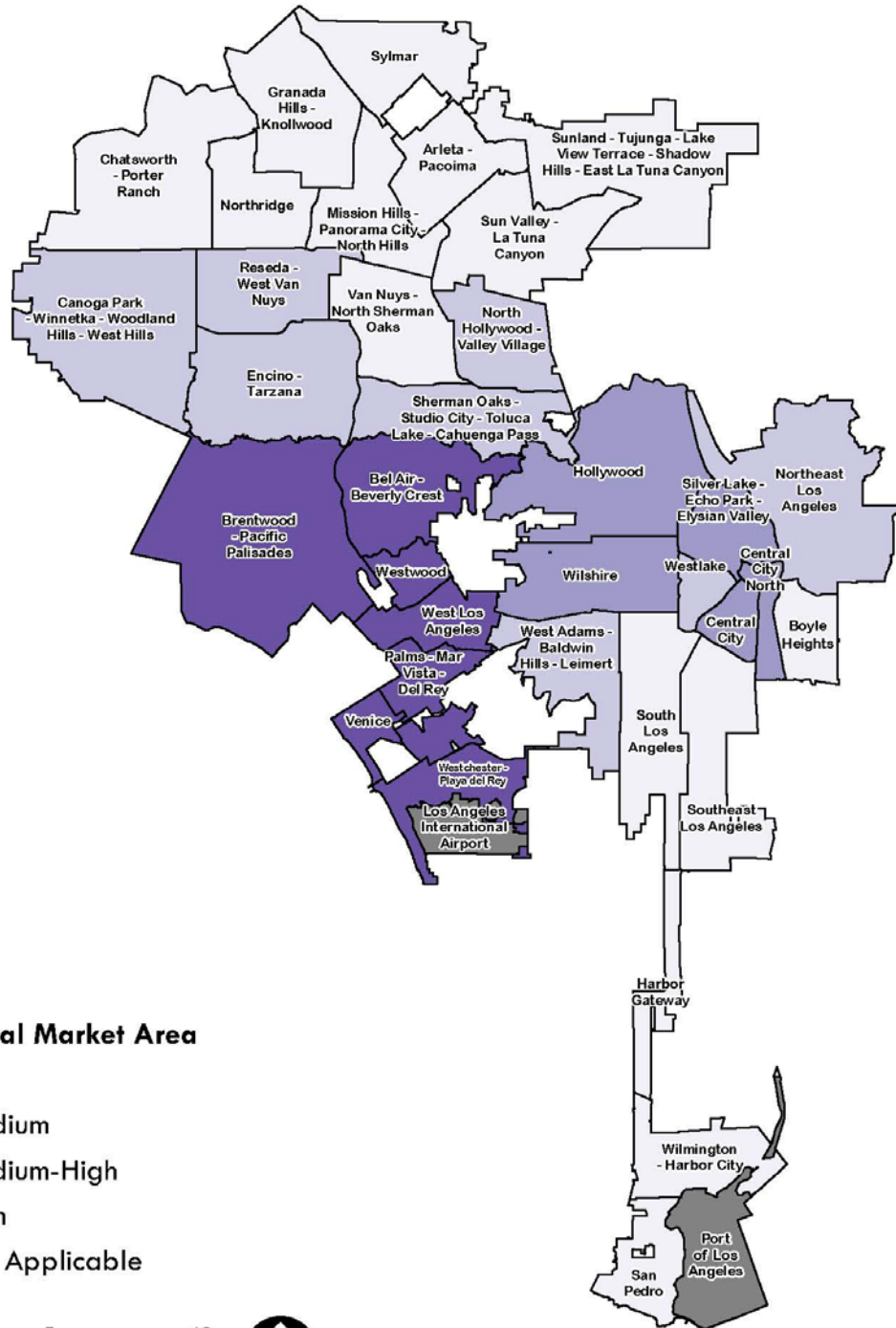
**WHEREAS**, pursuant to the Affordable Housing Linkage Fee Ordinance, the City Council must also adopt, by resolution, a map establishing the respective market areas throughout the City that inform the amount of the Linkage Fee to be assessed for a given Development Project;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council adopts the following fee schedule for the assessment of a Linkage Fee on eligible projects pursuant to LAMC Section 19.18, *et seq.*:

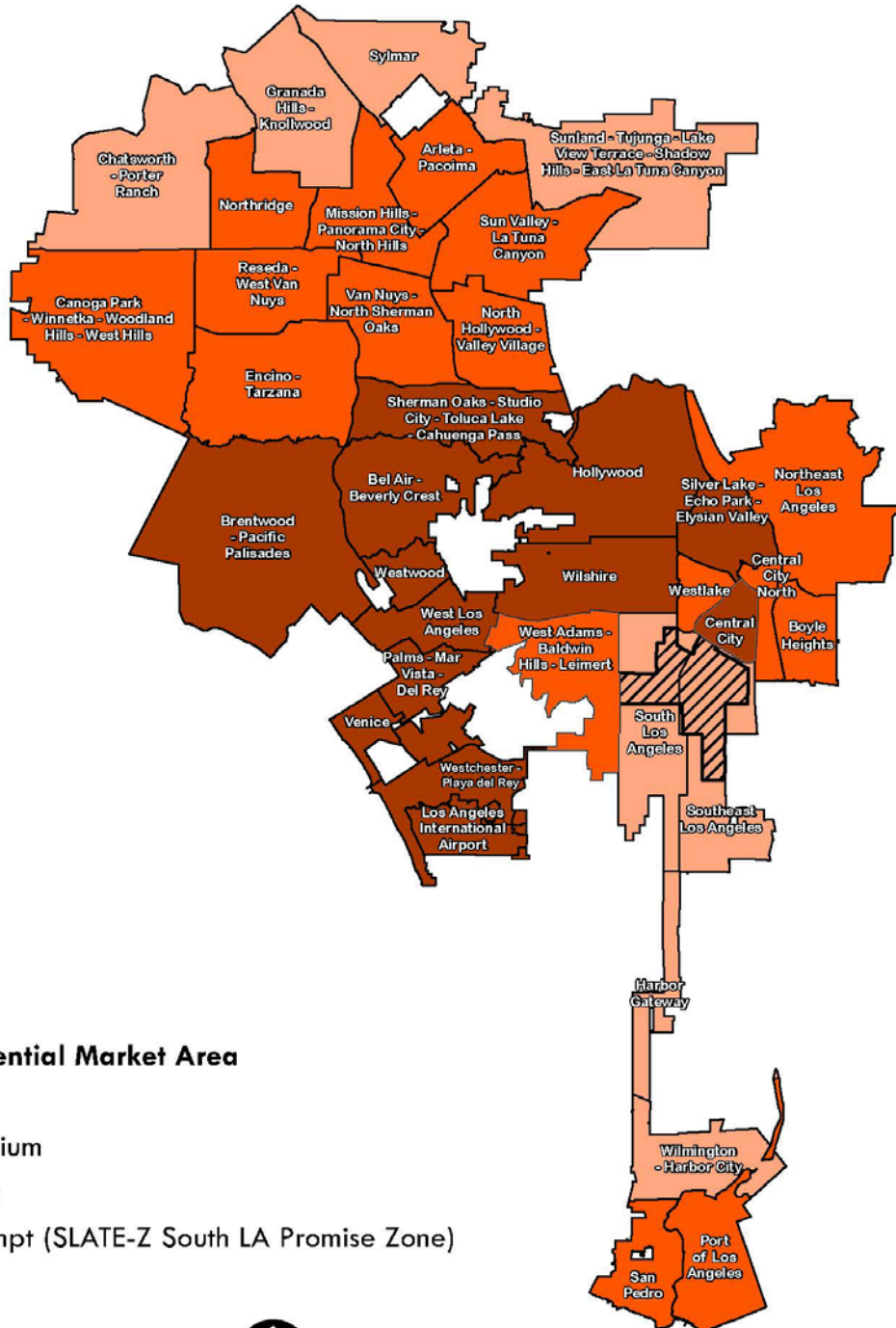
Type of Use	Low Market Area	Medium Market Area	Medium-High Market Area	High Market Area
Type of Use	Fee Per Square Foot			
Nonresidential Uses including Hotels	\$3	\$4	n/a	\$5
Residential Uses (6 or more units in a Development Project)	\$8	\$10	\$12	\$18
Residential Uses (2-5 units in a Development Project)	\$1	\$1	\$1	\$18
Residential Uses (single-family detached home)	\$8	\$10	\$12	\$18
Development Projects that Result in a Net Loss of Housing Units (in addition to any other fees)	\$3	\$3	\$3	\$3

**AND BE IT FURTHER RESOLVED** that the City Council adopts the following maps establishing the respective market areas throughout the City that informs the amount of Linkage Fee to be assessed for a given Development Project:

# Affordable Housing Linkage Fee Residential Market Areas



# Affordable Housing Linkage Fee Nonresidential Market Areas



## Nonresidential Market Area

- Low
- Medium
- High
- Exempt (SLATE-Z South LA Promise Zone)

