

ORDINANCE NO. _____

An ordinance adding Section 5.582 to Chapter 176 to the Los Angeles Administrative Code to create the Housing Impact Trust Fund for the receipt and use of Linkage Fee monies.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Chapter 176 of the Administrative Code is added to read as follows:

CHAPTER 176

HOUSING IMPACT TRUST FUND

Sec. 5.582. Creation and Administration of the Housing Impact Trust Fund.

(a) There is hereby created and established within the Treasury of the City of Los Angeles a special fund to be known as the “**City of Los Angeles Housing Impact Trust Fund**” (the **Fund**).

(b) The purpose of the Fund shall be the receipt, retention and disbursement of monies constituting Linkage Fees as defined in the Affordable Housing Linkage Fee Ordinance, Los Angeles Municipal Code (LAMC) Section 19.18, et seq. The total Affordable Housing Linkage Fee revenues received by the City pursuant to LAMC Section 19.18 shall be placed in the Housing Impact Trust Fund. The Mayor and City Council may establish additional revenue sources and appropriate funds for deposit in the Fund from time to time.

(c) The Fund shall be administered by the General Manager of the Housing and Community Investment Department (HCID) or the General Manager’s designee(s), in accordance with established City practices and the provisions of the Fee Mitigation Act (Government Code section 66000, et seq.).

(d) Monies from the Fund shall only be expended within the boundaries of the City of Los Angeles to address the evolving and varied affordable housing needs of the City, pursuant to guidelines promulgated for this purpose by HCID (Guidelines). The Guidelines and any amendments thereto shall be approved by the City Council by resolution. The Guidelines may include funding set-asides for the production and preservation of various levels of affordable housing (extremely low, very low, low, moderate, and workforce income households, including incomes up to 150% of Area Median Income) as those affordability levels are defined in the Guidelines.

(e) Any housing development projects receiving expenditures from the Fund that are 65 units or more and are new construction projects shall be required to utilize

the Project Labor Agreement (PLA) required for projects funded with Proposition HHH bond proceeds.

(f) The General Manager of HCID (General Manager) shall prepare and present to the City Council an annual report identifying all receipts into and all expenditures out of the Fund, as well as the purpose for which each expenditure was made pursuant to the Affordable Housing Linkage Fee Ordinance and the Guidelines. Each report shall cover a fiscal year and shall be submitted within 90 days after the close of that fiscal year.

Moreover, the General Manager shall establish an oversight committee for the Fund, comprised of designees of HCID, the Office of the Chief Legislative Analyst, the Office of the City Administrative Officer, the Department of City Planning and the Mayor's Office. The oversight committee shall provide opportunity for public input in the development of the General Manager's annual report to Council. This annual report may include recommendations from the oversight committee regarding amending the fee amount in response to changing market conditions.

(g) The General Manager or his or her designee shall make recommendations to the City Council for expenditures from the Fund. No expenditure may be made from the Fund without the prior approval of the Mayor and City Council, unless otherwise authorized by the Guidelines.

(h) The Fund shall be interest bearing. Interest and any other earnings attributable to monies in the Fund shall be credited to the Fund and devoted to the purposes of the Fund.

(i) All monies loaned from the Fund shall be repaid to the Fund in accordance with the terms of the loan. The repaid principal and interest shall be placed in the Fund.

(j) Any gifts, contributions or other money received for the stated purposes of the Fund and accepted by the City in accordance with the Charter and Codes shall be placed in the Fund. Monies not expended from the Fund at the close of any fiscal year shall not revert to the Reserve Fund of the City, but shall remain in the Fund.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 

ADRIENNE KHORASANEE
Deputy City Attorney

Date October 18, 2017

File No. CF 17-0274

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I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____