

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 [date] the City Council of the City of Los Angeles (City Council) adopted the Affordable Housing Linkage Fee Ordinance, Los Angeles Municipal Code 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, 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 purpose of increasing the supply of affordable housing in the City is justified;

WHEREAS, the Council has determined that the Affordable Housing Linkage Fee should be established consistent with the requirements applicable to fees for public facilities in California Government Code Section 66000, *et seq.*, commonly referred to as the Mitigation Fee Act, without determining that it is required to do so;

WHEREAS, the Council has published advance notice of the public hearing concerning the Affordable Housing Linkage Fee in a manner consistent with the Mitigation Fee Act, and during that period made available for public review and comment data indicating the estimated cost required to provide affordable housing and the potential revenue sources;

WHEREAS, the Council has determined that the Affordable Housing Linkage Fee is consistent with and implements the goals and objectives of the City’s General Plan;

WHEREAS, the Affordable Housing Linkage Fee is intended to create a funding mechanism to increase the supply of affordable housing in the City without reference to a specific development or property;

WHEREAS, the City will not expend funds from the Affordable Housing Linkage Fee on any specific development prior to the completion of any required environmental review for such specific development, thus the adoption of this Ordinance is not a

project under the California Environmental Quality Act guidelines found in Title 14 of the California Code of Regulations at Section 15378(b)(4);

WHEREAS, the Affordable Housing Linkage Fee is authorized pursuant to Section 240 of the City Charter and Section 7, Article XI of the California Constitution as a police powers measure to improve the public welfare of the City;

WHEREAS, consistent with the Mitigation Fee Act and the City Charter, the Affordable Housing Linkage Fee may be established by ordinance and resolution;

WHEREAS, pursuant to the Affordable Housing Linkage Fee Ordinance, the City Council must adopt by resolution a Linkage Fee schedule based on an 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;

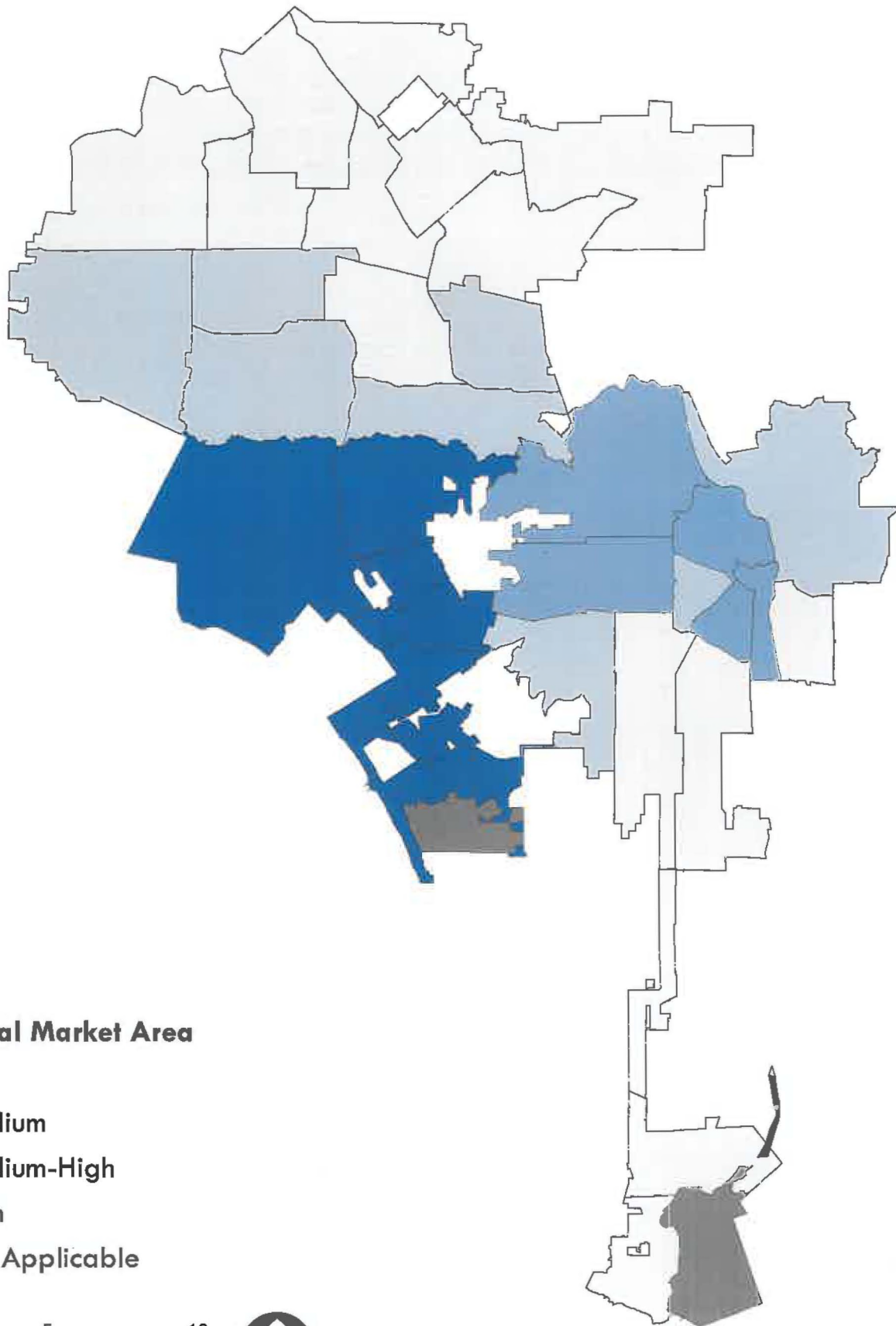
NOW, THEREFORE, BE IT RESOLVED that the City Council adopts the following fee schedule for the assessment of a Linkage Fee on eligible projects pursuant to LAMC Section 19.18, et seq.:

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	\$15
Residential Uses (2-5 units or less units in a Development Project)	\$1	\$1	\$1	\$15
Residential Uses (single-family detached home)	\$8	\$10	\$12	\$15
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 the Linkage Fee to be assessed for a given Development Project:

Affordable Housing Linkage Fee Residential Market Areas

Map 1



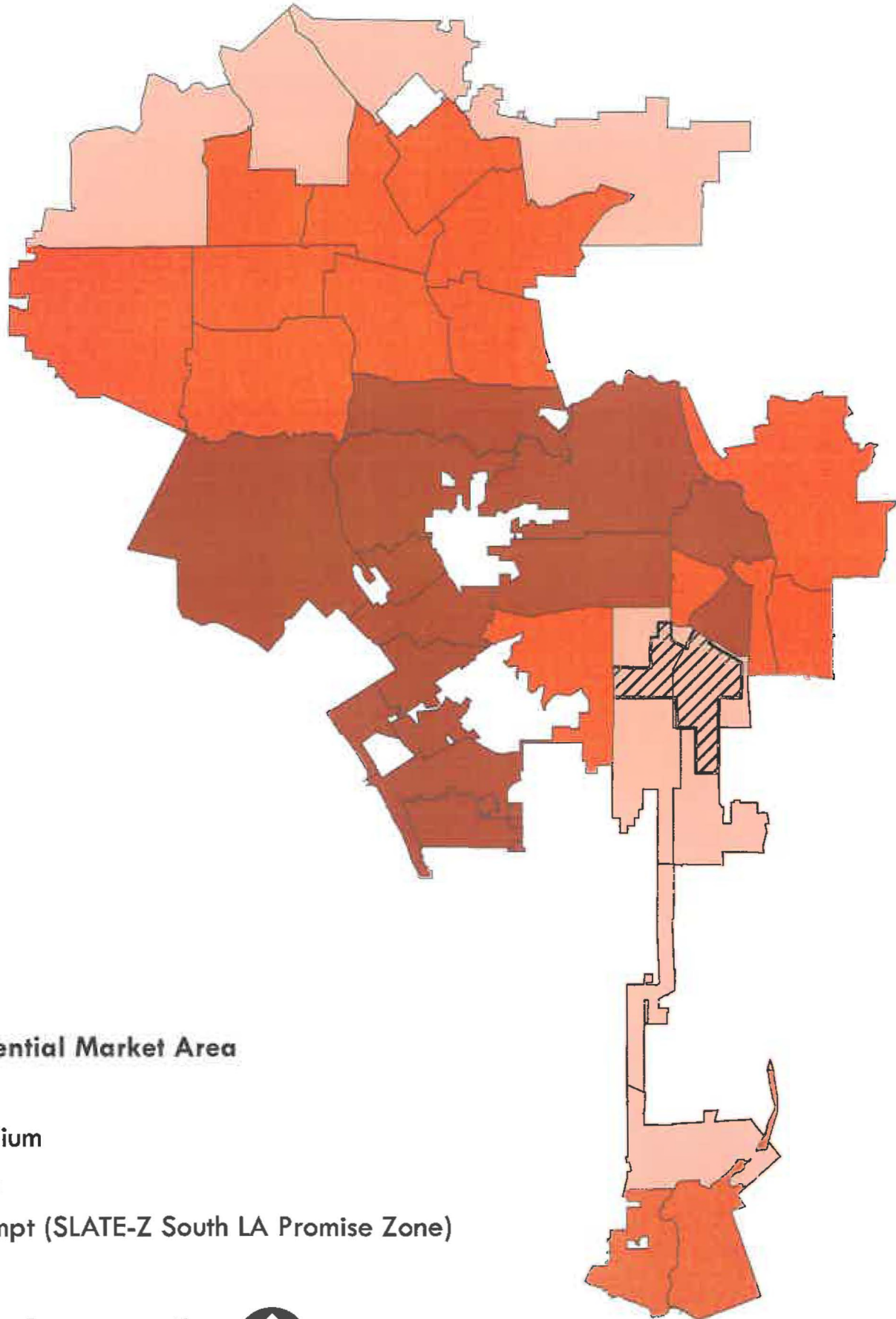
Residential Market Area

- Low
- Medium
- Medium-High
- High
- Not Applicable



Affordable Housing Linkage Fee Nonresidential Market Areas

Map 2



Nonresidential Market Area

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

