

DEPARTMENT OF CITY PLANNING Executive Office

City Hall, 200 N. Spring Street, Room 525, Los Angeles, CA 90012

DATE: June 2, 2023

TO: Interested Parties

Department of Building and Safety Department of City Planning Staff

FROM: Vincent P. Bertoni, AICP

Director of Planning

Department of City Planning

SUBJECT: AFFORDABLE HOUSING LINKAGE FEE UPDATED FEE SCHEDULE EFFECTIVE

JULY 1, 2023

The Affordable Housing Linkage Fee (AHLF) Ordinance (No. 185,342) was adopted by the City Council on December 13, 2017, establishing a fee on certain new market-rate residential and commercial development to generate local funding for affordable housing. The City Council subsequently adopted the fee schedule by resolution on June 29, 2018. LAMC Section 19.18 C.3(a) specifies that the fee schedule will be adjusted annually for inflation beginning on July 1, 2018, using the latest change in the Consumer Price Index for all urban consumers (CPI-U) for the Los Angeles-Riverside-Orange County area, or if such an index ceases to be published, by an equivalent index chosen by the Director. In January 2018, the Bureau of Labor Statistics introduced a new geographic sample for the CPI that utilizes separate indexes for Los Angeles and Riverside. Therefore, the AHLF annual inflation adjustment is based on the CPI-U for the Los Angeles-Long Beach-Anaheim Area.

The calculated inflation adjustment effective July 1, 2023, is <u>3.8%</u>, based on the CPI-U average for the 12-month period ending April 2023. This adjustment is reflected in the updated AHLF fee schedule, provided in the table below. There is no change to the market areas, provided as reference in this document. In accordance with LAMC Section 19.18 C.2, all projects that are subject to the AHLF shall pay the applicable fee amount that is in place at the time of building permit issuance.

Affordable Housing Linkage Fee Schedule Effective July 1, 2023

	Low Market Area	Medium Market Area	Medium-High Market Area	High Market Area
Type of Use	Fee Per Square Foot			
Nonresidential Uses including Hotels	\$3.61	\$4.82	n/a	\$6.02
Residential Uses (6 or more units in a Development Project)	\$9.64	\$12.05	\$14.46	\$21.68
Residential Uses (2-5 units in a Development Project)	\$1.20	\$1.20	\$1.20	\$21.68
Residential Uses (single-family detached home)	\$9.64	\$12.05	\$14.46	\$21.68
Development Projects that Result in a Net Loss of Housing Units (in addition to any other fees)	\$3.61	\$3.61	\$3.61	\$3.61

Affordable Housing Linkage Fee Residential Market Areas



