May 19, 2020

TO: Interested Parties
Department of Building and Safety
Department of City Planning Staff

FROM: Kevin J. Keller, AICP
Executive Officer
Department of City Planning

SUBJECT: AFFORDABLE HOUSING LINKAGE FEE UPDATED FEE SCHEDULE EFFECTIVE JULY 1, 2020

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, 2020 is 0.7%, based on the CPI-U average for the 12 month period ending April 2020. 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, 2020

<table>
<thead>
<tr>
<th>Type of Use</th>
<th>Low Market Area</th>
<th>Medium Market Area</th>
<th>Medium-High Market Area</th>
<th>High Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonresidential Uses including Hotels</td>
<td>$3.11</td>
<td>$4.15</td>
<td>n/a</td>
<td>$5.19</td>
</tr>
<tr>
<td>Residential Uses (6 or more units in a Development Project)</td>
<td>$8.31</td>
<td>$10.38</td>
<td>$12.46</td>
<td>$18.69</td>
</tr>
<tr>
<td>Residential Uses (2-5 units in a Development Project)</td>
<td>$1.04</td>
<td>$1.04</td>
<td>$1.04</td>
<td>$18.69</td>
</tr>
<tr>
<td>Residential Uses (single-family detached home)</td>
<td>$8.31</td>
<td>$10.38</td>
<td>$12.46</td>
<td>$18.69</td>
</tr>
<tr>
<td>Development Projects that Result in a Net Loss of Housing Units (in addition to any other fees)</td>
<td>$3.11</td>
<td>$3.11</td>
<td>$3.11</td>
<td>$3.11</td>
</tr>
</tbody>
</table>
Affordable Housing Linkage Fee Nonresidential Market Areas

Nonresidential Market Area

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

If Project Submitted Prior to February 17, 2021