

DEPARTMENT OF CITY PLANNING Executive Office

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

May 29, 2025

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; ANNUAL INFLATION FEE ADJUSTMENT

TO TAKE EFFECT ON JULY 1, 2025

The Affordable Housing Linkage Fee (AHLF) Ordinance (No. 185,342) was adopted by the Los Angeles 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. Los Angeles Municipal Code (LAMC) Sections 19.18 C.3(a) (Chapter 1) and 15.4.3 C.3(a) (Chapter 1A) specify 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 an equivalent index chosen by the Director. In January 2018, the Bureau of Labor Statistics established separate indexes for Los Angeles and Riverside; therefore, consistent with prior annual inflation adjustments, this year's CPI-U adjusted fee is based on the CPI-U for the Los Angeles-Long Beach-Anaheim Area.

The calculated inflation adjustment, to take effect on July 1, 2025, is <u>3.0%</u>, based on the CPI-U average for the 12-month period ending April 2025. This adjustment is reflected in the updated "Affordable Housing Linkage Fee Schedule Effective July 1, 2025," provided in the table below. Maps of residential and nonresidential market areas are included below for reference. In accordance with LAMC Sections 19.18 C.2 (Ch. 1.) and 15.4.3 C.2. (Ch. 1A), all projects 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, 2025

	Low Market Area	Medium Market Area	Medium-High Market Area	High Market Area
Type of Use	Fee Per Square Foot			
Nonresidential Uses including Hotels	\$3.86	\$5.16	n/a	\$6.44
Residential Uses (6 or more units in a Development Project)	\$10.32	\$12.90	\$15.47	\$23.20
Residential Uses (2-5 units in a Development Project)	\$1.28	\$1.28	\$1.28	\$23.20
Residential Uses (single-family detached home)	\$10.32	\$12.90	\$15.47	\$23.20
Development Projects that Result in a Net Loss of Housing Units (in addition to any other fees)	\$3.86	\$3.86	\$3.86	\$3.86

Affordable Housing Linkage Fee Residential Market Areas



