



DEPARTMENT OF CITY PLANNING Executive Office

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

DATE: April 22, 2026

TO: Department of City Planning Staff
Interested Parties

FROM: Vincent P. Bertoni, AICP
Director of Planning
Department of City Planning

SUBJECT: **AFFORDABLE HOUSING LINKAGE FEE ORDINANCE AND UPDATED
MARKET AREA MAPS**

The City Council adopted the Affordable Housing Linkage Fee (AHLF) Ordinance (#185,342) on December 13, 2017, and it became effective on February 17, 2018. The City Council subsequently adopted a revised fee schedule on June 29, 2018, increasing the residential fee amount in the City's high Market Areas. As required by the AHLF Ordinance, updated Market Areas based on current data were presented to the Council and adopted by resolution on March 25, 2026.

The ordinance places a fee on certain new market-rate residential and commercial development to generate local funding for affordable housing. The amount of the fee varies by the type of use and by location. Because of the ordinance's phased-in approach, projects submitting plans on or after June 18, 2018 are subject to the fee and fees will increase over time. There are also various exemptions and deductions. The basic provisions of the law are summarized below. This memo replaces the previous memo dated July 16, 2018, in order to reflect the updated Market Area maps and current fee schedule.

Development Projects Subject to the Fee:

Unless determined to be exempt (per LAMC Ch. 1 Sec. 19.18 B.2 or Ch. 1A Sec. 15.4.3.B) the Linkage Fee applies to all *Development Projects*, which is defined as any activity involving or requiring the issuance of a building permit that results in any of the following scenarios:

- 1) Additional dwelling units or guest rooms (after deducting the number of units/guest rooms removed in the previous year).
- 2) Additional nonresidential floor area (after deducting the amount of nonresidential floor area removed in the previous year).
- 3) A single-family residential project (either an addition to an existing Single Family Dwelling (SFD) in a single-family zone, OR replacement of an SFD in any zone) that results in a net increase of more than 1,500 square feet of floor area, unless the property will not be not sold within three years.
- 4) A change of use from nonresidential to residential.

Fee Phase-In Timeline

The fee was phased-in based on the date by which a building permit application or complete planning entitlement application is submitted, whichever is first. This is calculated according to the date that plans sufficient for a plan check or zoning plan check are accepted by the Department of Building and Safety, or City Planning fees are paid for a planning entitlement, whichever is first. Projects submitted before June 18, 2018 were exempt from the fee.

Plans submitted on or after:

- February 17, 2018: Effective date of AHLF ordinance (no fee applies)
- June 18, 2018: One-third of full fee amount at the time of building permit issuance
- December 20, 2018: Two-thirds of full fee amount at the time of building permit issuance
- June 17, 2019: Full fee amount

How is the Fee Calculated?

For each Development Project, the Linkage Fee is calculated by the Department of City Planning’s Zoning Review Section as follows:

- 1) The amount of net new or added floor area in the Development Project (after subtracting any eligible existing or demolished floor area as defined in LAMC Ch. 1 Sec. 12.03 or Ch 1A. Sec. 14.2.7 within the prior year);
- 2) Multiplied by the amount of the applicable fee, depending on the Market Area in which the project is located, and type of project, at the time the building permit for the Development Project is issued;
- 3) Multiplied by the applicable phase-in ratio (1/3 or 2/3, based on when a building permit application or a complete planning or zoning entitlement is submitted). This phase-in ratio is applicable only during the initial phase-in period;
- 4) Minus any applicable deductions or credits.

Payment of Linkage Fee

- The Linkage Fee is due and payable prior to the issuance of a building permit for the Development Project (i.e. not a demolition permit or grading permit).
- The fee amount is based on the fee schedule and Market Area maps in effect at the time the building permit for the project is issued and the phase-in ratio in effect at the time of submittal.

Linkage Fee Schedule as of July 1, 2025*

	Low Market Area	Medium Market Area	Medium-High Market Area	High Market Area
Type of Development Project	Fee per Square Foot			
Residential Uses (single-family home or multifamily with 6 or more units)	\$10.32	\$12.90	\$15.47	\$23.20
Residential Uses (2-5 units)	\$1.28	\$1.28	\$1.28	\$23.20
Nonresidential Uses (including Hotels)	\$3.86	\$5.16	N/A	\$6.44
Additional Charge for the Net Loss of Dwelling Units (added to any other applicable fees)	\$3.86	\$3.86	\$3.86	\$3.86

* Please check the current Linkage Fee Schedule maintained by the Department of City Planning for the most up to date information.

Fee Adjustments

Fees are adjusted annually for inflation using the Consumer Price Index (CPI-U). The Market Areas may be updated by the City Council every five years. The first update to the Market Areas becomes effective April 24, 2026.

Market Areas

The AHLF Market Areas categorize subareas of the City based on the residential and commercial real estate markets. They were established in 2018 concurrent with the AHLF Ordinance using a methodology defined in the AHLF Nexus Study¹. As required by the AHLF Ordinance (LAMC Ch. 1 19.18 C.1 or Ch. 1A Sec. 15.4.3.C.1, the City Council approved updates to the maps using more current data and shifting to the neighborhood geography on March 25, 2026². The Market Area for a property is viewable in [Zoning Information and Map Access System \(ZIMAS\)](#), under the Planning and Zoning Tab. Both the original 2018 Market Area maps and the 2026 updated maps are attached below, but only the 2026 maps are in ZIMAS.

For purposes of determining the AHLF fee rate, projects that are issued building permits on or prior to April 23, 2026 shall be processed under the “2018 Market Area maps” (see below). Projects that are issued building permits on or after April 24, 2026 shall be processed under the “2026 Market Area maps” (see below).

The Market Area maps are also used to establish affordability set-aside requirements in the Mixed-Income Incentive Program (MIIP) (LAMC Ch 1 Sec. 12.22 A.38 and Ch 1A Sec. 9.2.3 and 9.2.5.) Affordability requirements for MIIP projects are based on the Residential Market Areas in effect at the time the project is vested. Applicants seeking to apply for the MIIP program under the 2026 maps will be required to refile their City Planning Application, including their Opportunity Corridor or Transit Oriented Incentive Area Referral Form, if the map update has changed the MIIP Affordability requirement following the April 24, 2026 effective date (e.g. Residential Market Area category the project is located in was High Medium or High and is now Low or Medium Market Area, and vice versa.)

The Housing Element Sites and Minimum Density Ordinance (LAMC Ch 1 Sec. 16.70 and Ch 1A Sec. 4C.15.4) establishes a minimum density requirement for RD 1.5 and RD 2 zones (or Density Districts 15 and 20 in areas where the New Zoning Code is applied) in High or Medium High Residential Market Areas.

Exemptions

The following types of projects may be exempt from the payment of the Linkage Fee. Please see the ordinance language to verify the applicability of the exemption:

- Multifamily housing projects with at least the following shares of affordable housing, as determined by LAHD, and as calculated based on the total number of units:
 - 40% moderate income units, or 20% low income units, or 11% very low income units, or 8% extremely low income units.
 - Any project approved pursuant to the Mixed Income Incentive Program (LAMC Ch 1 Sec. 12.22 A.38. or Ch 1A Sec. 9.2.3, 9.2.4 and 9.2.5)
 - Other on-site affordable housing or fee payments in excess of the AHLF requirements.
 - Affordable housing required by the Mello Act, Central City West SP, or Measure JJJ (LAMC Ch. 1 Sec. 11.5.11).
- Non-residential developments less than 15,000 square feet.

¹ 2018 Council Resolution: https://cityclerk.lacity.org/onlinedocs/2017/17-0274_misc_6-8-18.pdf

² 2026 Council Resolution: https://cityclerk.lacity.org/onlinedocs/2017/17-0274-S5_misc_1-29-26.pdf

- Single Family detached (SFD) homes can be fully or partially exempt in several scenarios below. If not exempt, all net new floor area added to the site is charged the fee.
 - < 1,500 SF new or added
 - Addition to existing SFD in a single-family or multi-family zone
 - New construction of SFD in single-family zone
 - Replacement of SFD in any zone
 - > 1,500 SF new or added and home remains under same ownership for three years from the issuance of a building permit.
 - Addition to existing SFD in a single-family zone
 - Replacement of SFD in any zone
- Developments constructed by or on behalf of a government agency or public institution like public schools, public museums and homeless shelters, as well as private elementary or high-schools.
- Hospitals.
- Accessory Dwelling Units (ADUs).
- Grocery stores, if there is not an existing one within one-third mile of the project.
- Adaptive Reuse projects involving a designated Historic-Cultural Monument with no increase in floor area.
- Non-residential floor area located in the SLATE-Z South LA Transit Empowerment Zone (Promise Zone) within the first three years of the effective date of ordinance.

Deductions/Credits

The following types of projects may be eligible for a deduction or credit on the otherwise payable fee:

- Applicable fee credit of prior nonresidential uses when converted to residential uses through a change of use.
- Floor area of Restricted Affordable Units in a market rate development.
- Floor area from the residential portion of a mixed-use building if the development is subject to certain other affordable housing requirements.
- First 15,000 square feet of nonresidential floor area in a mixed-use building.
- Any floor area that accrued as a result of a Public Benefit Payment as part of a Transfer Floor Area Right approval (per LAMC Ch. 1 Sec. 14.5.9 or Ch. 1A Sec. 9.3.5).
- Value of any land dedication for the purpose of affordable housing, as approved by LAHD.

Additional Questions

For general questions on the implementation of the Affordable Housing Linkage Fee, please email planning.housingpolicy@lacity.org. Questions regarding projects with an active Plan Check (15 digit project ID number) should be directed to the assigned Zoning Architect with the Department of City Planning.

Additional Documents:

[City Council 5-Year Map Update Resolution](#) (As of April 24, 2026)

[City Council Fee Resolution](#) (As of June 29, 2018)

[Ordinance No. 185.342 \(Affordable Housing Linkage Fee\)](#)

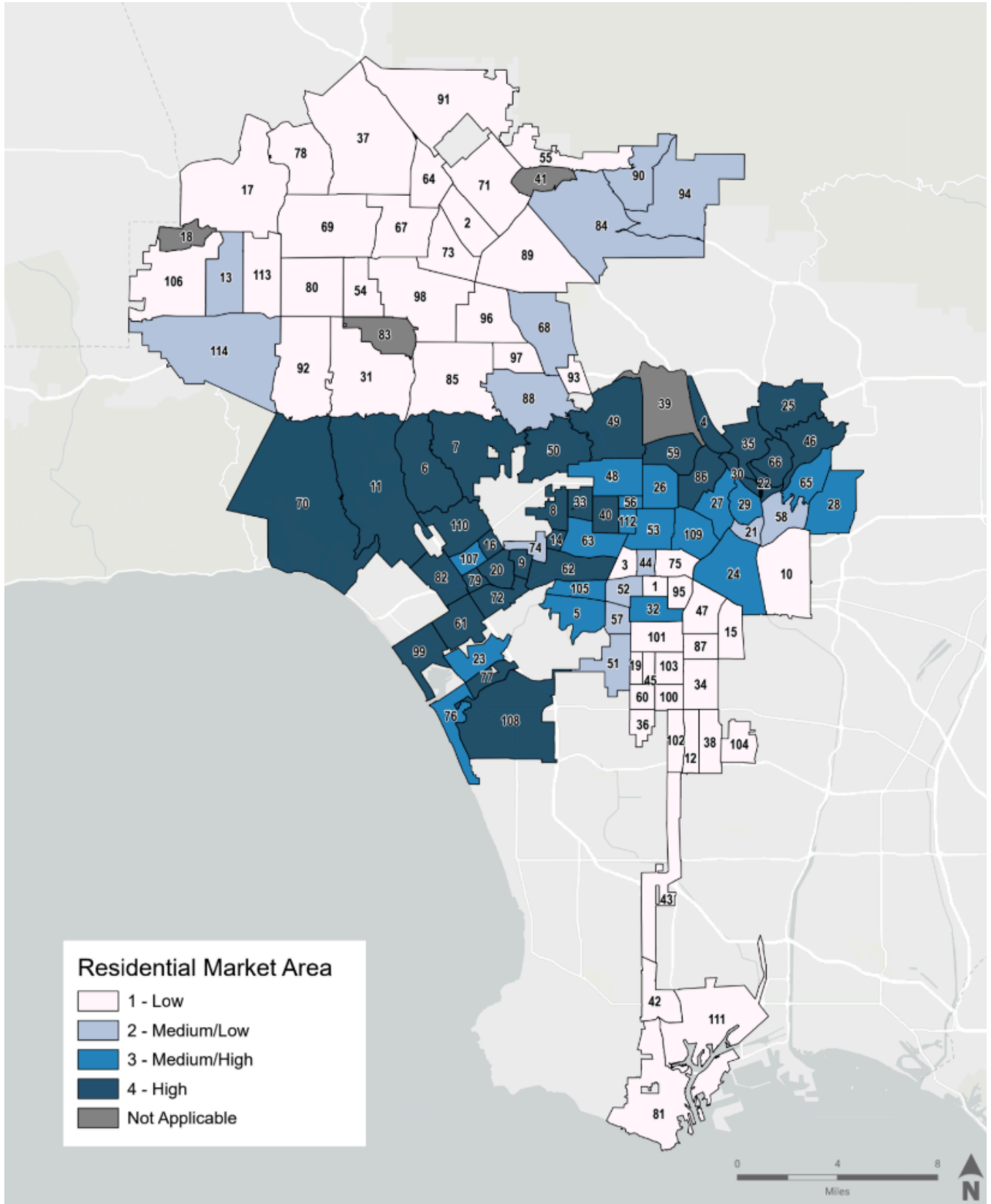
[Ordinance No. 185.341 \(Housing Impact Trust Fund\)](#)

Attachments:

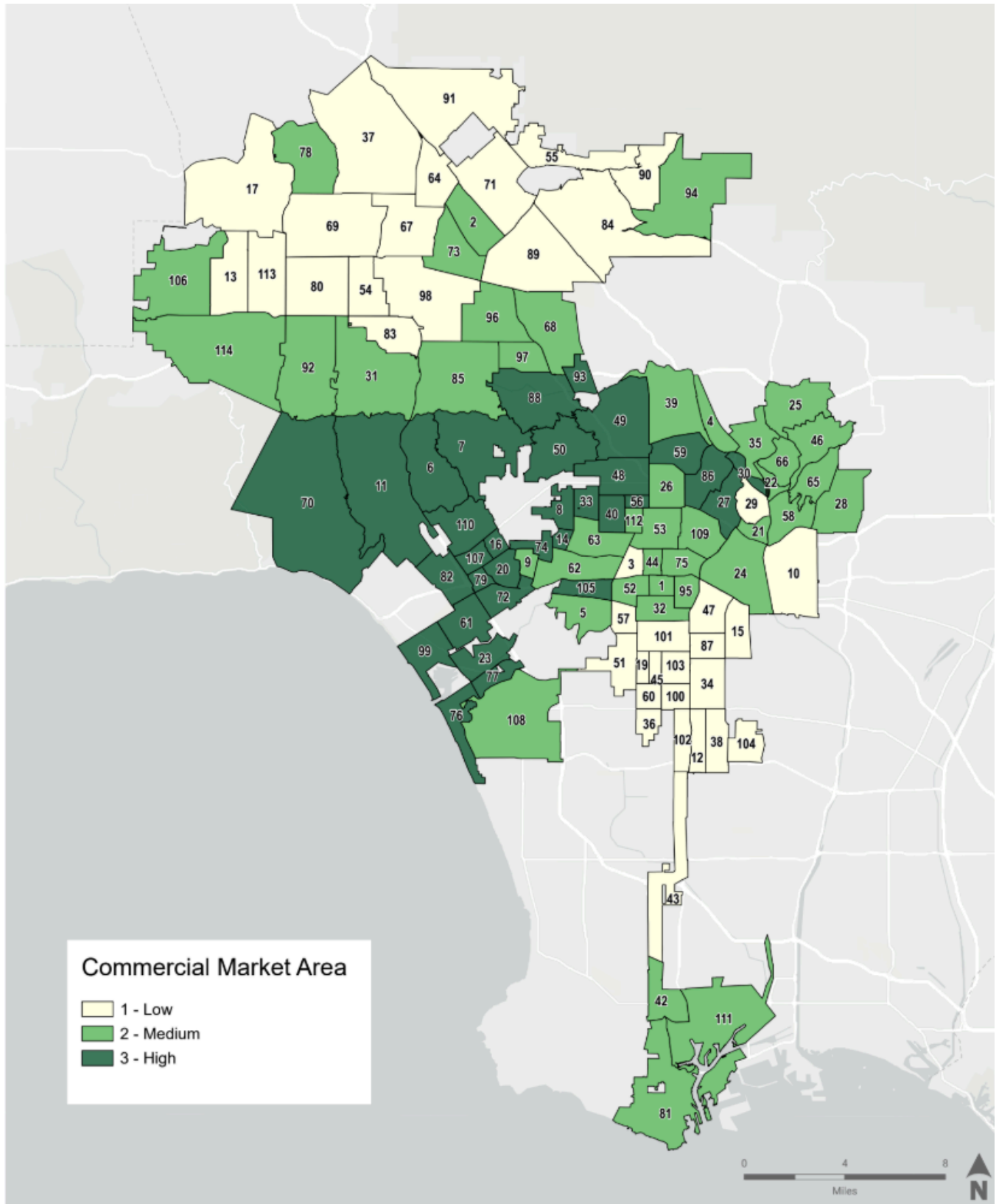
2026 Market Area Maps

2018 Market Area Maps

2026 Residential Market Areas



2026 Commercial Market Areas

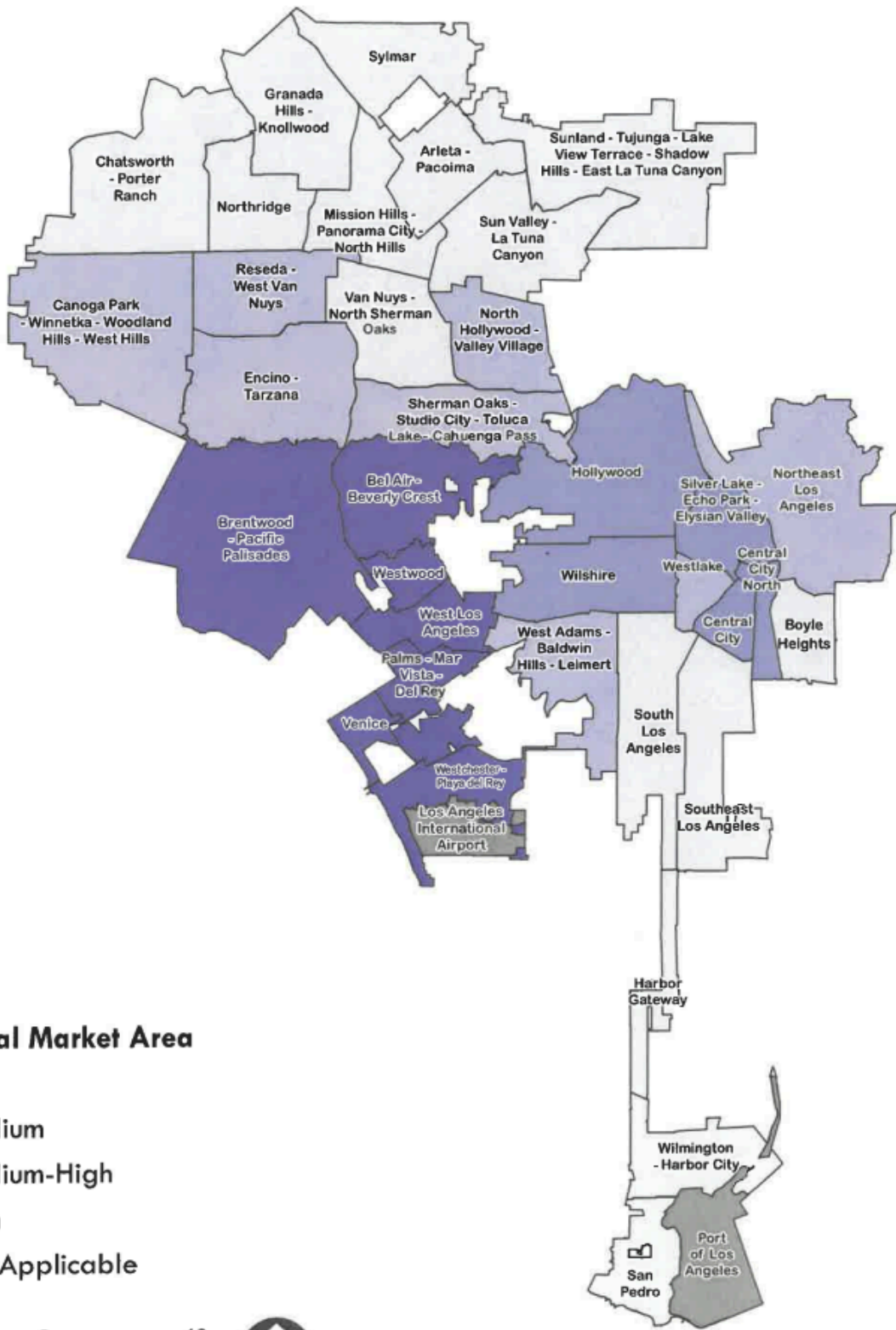


Neighborhood Key

Neighborhood Key

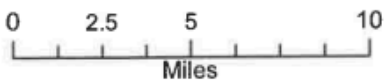
1. Adams-Normandie
2. Arleta
3. Arlington Heights
4. Atwater Village
5. Baldwin Hills/Crenshaw
6. Bel-Air
7. Beverly Crest
8. Beverly Grove
9. Beverlywood
10. Boyle Heights
11. Brentwood
12. Broadway-Manchester
13. Canoga Park
14. Carthay
15. Central-Alameda
16. Century City
17. Chatsworth
18. Chatsworth Reservoir
19. Chesterfield Square
20. Cheviot Hills
21. Chinatown
22. Cypress Park
23. Del Rey
24. Downtown
25. Eagle Rock
26. East Hollywood
27. Echo Park
28. El Sereno
29. Elysian Park
30. Elysian Valley
31. Encino
32. Exposition Park
33. Fairfax
34. Florence
35. Glassell Park
36. Gramercy Park
37. Granada Hills
38. Green Meadows
39. Griffith Park
40. Hancock Park
41. Hansen Dam
42. Harbor City
43. Harbor Gateway
44. Harvard Heights
45. Harvard Park
46. Highland Park
47. Historic South-Central
48. Hollywood
49. Hollywood Hills
50. Hollywood Hills West
51. Hyde Park
52. Jefferson Park
53. Koreatown
54. Lake Balboa
55. Lake View Terrace
56. Larchmont
57. Leimert Park
58. Lincoln Heights
59. Los Feliz
60. Manchester Square
61. Mar Vista
62. Mid-City
63. Mid-Wilshire
64. Mission Hills
65. Montecito Heights
66. Mount Washington
67. North Hills
68. North Hollywood
69. Northridge
70. Pacific Palisades
71. Pacoima
72. Palms
73. Panorama City
74. Pico-Robertson
75. Pico-Union
76. Playa del Rey
77. Playa Vista
78. Porter Ranch
79. Rancho Park
80. Reseda
81. San Pedro
82. Sawtelle
83. Sepulveda Basin
84. Shadow Hills
85. Sherman Oaks
86. Silver Lake
87. South Park
88. Studio City
89. Sun Valley
90. Sunland
91. Sylmar
92. Tarzana
93. Toluca Lake
94. Tujunga
95. University Park
96. Valley Glen
97. Valley Village
98. Van Nuys
99. Venice
100. Vermont Knolls
101. Vermont Square
102. Vermont Vista
103. Vermont-Slauson
104. Watts
105. West Adams
106. West Hills
107. West Los Angeles
108. Westchester
109. Westlake
110. Westwood
111. Wilmington
112. Windsor Square
113. Winnetka
114. Woodland Hills

2018 Residential Market Areas

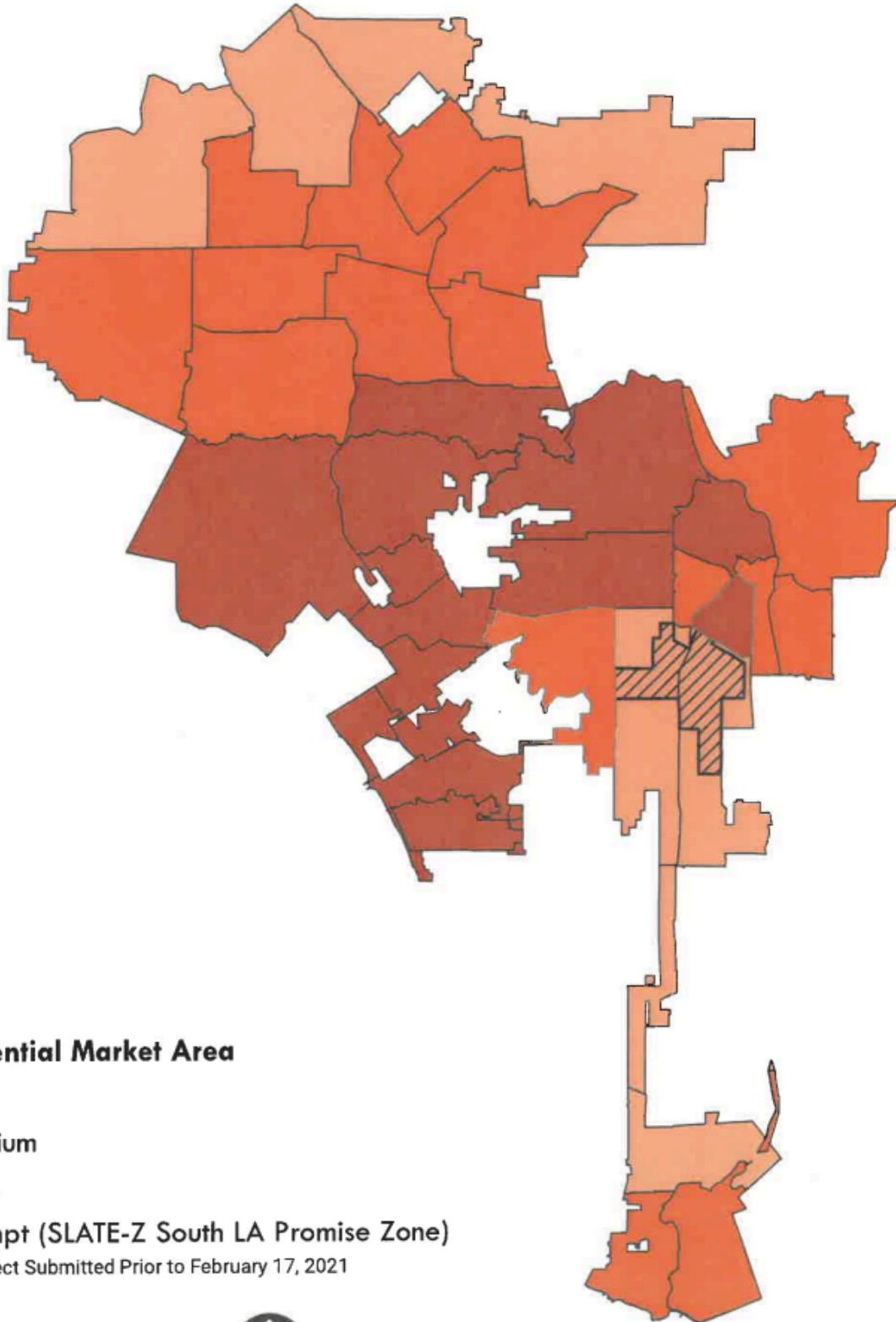


Residential Market Area

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



2018 Non-Residential Market Areas



Nonresidential Market Area

-  Low
-  Medium
-  High
-  Exempt (SLATE-Z South LA Promise Zone)
If Project Submitted Prior to February 17, 2021

