

# ALSTON & BIRD LAND USE MATTERS

A publication of Alston & Bird's Land Use Group

September 2016

*Land Use Matters* provides information and insights into legal and regulatory developments, primarily at the Los Angeles City and County levels, affecting land use matters, as well as new CEQA appellate decisions.

Please visit the firm's website for additional information about our [Land Use Group](#).

## City of Los Angeles

### ***Proposed New Affordable Housing Linkage Fee***

Last week, the City of Los Angeles Planning Department released a proposed ordinance that would establish a new Affordable Housing Linkage Fee. The fee will apply to any "development project" that submits a complete building permit application or land use entitlement application after the sixtieth day after the adoption date of the ordinance. Development projects are defined broadly to include any building activity that results in additional housing units, additional nonresidential floor area, or a change of use from commercial or industrial to residential. The fee is currently proposed to be \$5 per square foot for nonresidential projects and \$12 per square foot for residential projects. The fee would be due before the issuance of the first building permit.

The ordinance proposes very few exemptions, deductions, or credits. The ordinance would exempt projects adding less than 10,000 square feet of new nonresidential floor area, as well as projects adding five or fewer residential units. The ordinance also exempts second dwelling units, development projects on property owned by the government, and the addition of less than 1,500 square feet to an existing home. The ordinance also provides that the first 10,000 square feet of nonresidential use in a mixed-use project is excluded from the calculation of floor area subject to the linkage fee. Dedication of land to the city for the purpose of building affordable housing also reduces the amount of the linkage fee owed.

The city's Planning Department estimates that the proposed ordinance would raise between \$90 million and \$130 million in fees per year for the production and preservation of affordable housing.

Comments are being accepted by the Planning Department through October 24, 2016. Comments may be submitted to [matthew.glesne@lacity.org](mailto:matthew.glesne@lacity.org). The Planning Department plans to hold a hearing on October 29, 2016. Additional information can be obtained at the following links:

[Affordable Housing Linkage Fee Background & FAQ](#)

[Affordable Housing Linkage Fee Draft Ordinance](#)

[Affordable Housing Linkage Fee Nexus Study](#)

## Park Fee Ordinance Approved

On September 7, 2016, the City Council approved the [Park Fee Ordinance](#) requiring new residential projects to pay fees or to dedicate land toward the development of parks across the city. Park fees are currently imposed on subdivisions (Quimby Fee) and market-rate, multifamily residential projects that require a zone change (Finn Fee). Implementation of the ordinance will start on January 17, 2017, 120 days after the effective date.

The fee for residential subdivisions will start at \$7,500 and will increase to \$10,000 starting July 1, 2017. Multifamily residential projects will be assessed \$2,500 and will increase to \$5,000. Affording housing units are exempt from the fee. Also, according to the ordinance, “any project that would otherwise be subject to a park fee ... but has acquired vested rights ... prior to the effective date of this ordinance, and/or has an approved vesting tentative [tract] map ..., the application for which has been deemed complete prior to the effective date of this ordinance, shall not be subject to a park fee.”

The ordinance increases park and recreation land dedication radius requirements and projects. A project may receive credits against paying the required fees if the owner chooses to dedicate land to the city for use as a park. Park and recreation facilities provided within a proposed residential development that will be privately owned and maintained but open to the public will also receive credit against the requirement for dedication of land or the payment of park fees. For any project proposing more than 50 units, a predevelopment meeting is required to review land dedication options at the early stages of project approvals.

## Contributing Authors



Edward J. Casey  
Partner  
Environment, Land Use &  
Natural Resources  
[ed.casey@alston.com](mailto:ed.casey@alston.com)



Kathleen A. Hill  
Planning Director  
Environment, Land Use &  
Natural Resources  
[kathleen.hill@alston.com](mailto:kathleen.hill@alston.com)

This publication by Alston & Bird LLP provides a summary of significant developments to our clients and friends. It is intended to be informational and does not constitute legal advice regarding any specific situation. This material may also be considered attorney advertising under court rules of certain jurisdictions.

If you have any questions or would like additional information, please contact your Alston & Bird attorney or any of the following:

Doug Arnold  
404.881.7637  
[doug.arnold@alston.com](mailto:doug.arnold@alston.com)

Roger Cerda  
213.576.1156  
[roger.cerda@alston.com](mailto:roger.cerda@alston.com)

Bruce Pasfield  
202.239.3585  
[bruce.pasfield@alston.com](mailto:bruce.pasfield@alston.com)

Paul Beard  
916.498.3354  
[paul.beard@alston.com](mailto:paul.beard@alston.com)

Skip Fulton  
404.881.7152  
[skip.fulton@alston.com](mailto:skip.fulton@alston.com)

Geoffrey Rathgeber  
404.881.4974  
[geoff.rathgeber@alston.com](mailto:geoff.rathgeber@alston.com)

Ward Benshoof  
213.576.1108  
[ward.benshoof@alston.com](mailto:ward.benshoof@alston.com)

Maureen Gorsen  
916.498.3305  
[maureen.gorsen@alston.com](mailto:maureen.gorsen@alston.com)

Chris Roux  
202.239.3113  
213.576.1103  
[chris.roux@alston.com](mailto:chris.roux@alston.com)

Meaghan Goodwin Boyd  
404.881.7245  
[meaghan.boyd@alston.com](mailto:meaghan.boyd@alston.com)

Ronnie Gosselin  
404.881.7965  
[ronnie.gosselin@alston.com](mailto:ronnie.gosselin@alston.com)

Jocelyn Thompson  
213.576.1104  
[jocelyn.thompson@alston.com](mailto:jocelyn.thompson@alston.com)

Andrew Brady  
213.576.2527  
[andrew.brady@alston.com](mailto:andrew.brady@alston.com)

Maya Lopez Grasse  
213.576.2526  
[maya.grasse@alston.com](mailto:maya.grasse@alston.com)

Andrea Warren  
213.576.2518  
[andrea.warren@alston.com](mailto:andrea.warren@alston.com)

Nicki Carlsen  
213.576.1128  
[nicki.carlsen@alston.com](mailto:nicki.carlsen@alston.com)

Clay Massey  
404.881.4969  
[clay.massey@alston.com](mailto:clay.massey@alston.com)

Jonathan Wells  
404.881.7472  
[jonathan.wells@alston.com](mailto:jonathan.wells@alston.com)

Edward Casey  
213.576.1005  
[ed.casey@alston.com](mailto:ed.casey@alston.com)

Elise Paeffgen  
202.239.3939  
[elise.paeffgen@alston.com](mailto:elise.paeffgen@alston.com)