

RESOLUTION NO. 7621

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, ESTABLISHING AN INCLUSIONARY HOUSING IN-LIEU DEVELOPMENT FEE AS AN ALTERNATIVE TO PROVIDING AFFORDABLE HOUSING UNITS REQUIRED BY THE INCLUSIONARY HOUSING ORDINANCE; AND FINDING THAT THIS RESOLUTION IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

WHEREAS, the Development Services Department has initiated Text Amendment No. TA 25-01 to add a new Inclusionary Housing Ordinance as Section 9103.16 to Article IX, Chapter 1 of the Arcadia Municipal Code (referred to as "Text Amendment"); and

WHEREAS, California State Housing Element Law establishes the requirements for Housing Elements and California Government Code Section 65588 requires that local government review and revise the Housing Element of their comprehensive General Plans not less than once every eight years. Additionally, the California State Legislature identifies overall housing goals for the State with the goal of ensuring every resident has access to housing and suitable living environments; and

WHEREAS, the updated Housing Element was adopted by City Council on February 15, 2022, and again, at the request of the State Department of Housing and Community Development, on November 1, 2022, and

WHEREAS, the City is required to implement actions and policies within the approved and certified Housing Element, including the provision of affordable housing, and compliance with the Regional Housing Needs Allocation ("RHNA") for the City of Arcadia; and

WHEREAS, the proposed Inclusionary Housing Ordinance (City Council Ordinance No. 2402) meets the requirements of California State housing law by providing

alternatives to the provision of affordable units within housing projects, including the establishment of an Inclusionary Housing In-Lieu Development Fee as shown in Exhibit “A” of this Resolution; and

WHEREAS, based on an Inclusionary Housing In-Lieu Fee Analysis conducted by Keyser Marston Associates, Inc., the fees set forth in this Resolution are necessary for the purposes set forth in this Resolution. Said fees are based on an in-depth analysis of development costs within the City of Arcadia, and the proposed fees are deemed to be fair and reasonable as an alternative to providing affordable housing units; and

WHEREAS, on April 1, 2025, the City Council held a duly noticed public hearing concerning the Text Amendment, at which time all interested persons were given full opportunity to be heard and to present evidence.

NOW, THEREFORE, the City Council of the City of Arcadia does hereby resolve as follows:

SECTION 1. The establishment and/or adjustment of fees is statutorily exempt from the California Environmental Quality Act (“CEQA”), pursuant to Section 15273 of the CEQA Guidelines (Sections 21080(b)(8) and 21082, Public Resources Code).

SECTION 2. The City Council hereby adopts the Inclusionary Housing In-Lieu Development Fee, based on the square footage of leasable and/or saleable area in the Development, attached hereto as Exhibit “A”.

SECTION 3. The City Council directs that the Inclusionary Housing In-Lieu Development Fee be evaluated annually to ensure the fee is appropriate and consistent with the cost of development, and that recommended modifications to the fee be proposed to the City Council as necessary.

SECTION 4. The Inclusionary Housing In-Lieu Development Fee will be imposed and collected as of the effective date of the Inclusionary Housing Ordinance (Ordinance No. 2402), July 1, 2025

SECTION 5. The City Clerk shall certify the adoption of this Resolution.

Passed, approved and adopted this 1st of April, 2025.




Mayor of the City of Arcadia

ATTEST:



City Clerk

APPROVED AS TO FORM:



Michael J. Maurer
City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF ARCADIA)

I, LINDA RODRIGUEZ, City Clerk of the City of Arcadia, hereby certifies that the foregoing Resolution No. 7621 was passed and adopted by the City Council of the City of Arcadia, signed by the Mayor and attested to by the City Clerk at a regular meeting of said Council held on the 1st day of April, 2025 and that said Resolution was adopted by the following vote, to wit:

AYES: Cheng, Fu, Wang, and Cao

NOES: None

ABSTAIN: Kwan



City Clerk of the City of Arcadia

BASE IN-LIEU PAYMENT AMOUNTS

Recommended Base In-Lieu Fee Payment Amounts Residential Developments with 30 or More Units Affordability Gap Analyses		
Apartment Development		
Per Inclusionary Unit		\$403,000
Per Square Foot of Total Leasable Area in the Development		\$43.80
Ownership Housing Development		
Per Inclusionary Unit		\$701,300
Per Square Foot of Total Saleable Area in the Development		\$23.30

DISCOUNTED IN-LIEU FEE SCHEDULES

Recommended Discounted In-Lieu Fee Schedules Measured Per Square Foot of Leasable or Saleable Area in the Residential Development		
Number of Units	Apartment Development	Ownership Housing Development
10	\$2.09	\$1.11
11	\$4.17	\$2.22
12	\$6.26	\$3.33
13	\$8.34	\$4.44
14	\$10.43	\$5.55
15	\$12.51	\$6.66
16	\$14.60	\$7.77
17	\$16.69	\$8.88
18	\$18.77	\$9.99
19	\$20.86	\$11.10
20	\$22.94	\$12.20
21	\$25.03	\$13.31
22	\$27.11	\$14.42
23	\$29.20	\$15.53
24	\$31.29	\$16.64
25	\$33.37	\$17.75
26	\$35.46	\$18.86
27	\$37.54	\$19.97
28	\$39.63	\$21.08
29	\$41.71	\$22.19
30	\$43.80	\$23.30

FRACTIONAL IN-LIEU FEE SCHEDULES

Recommended Fractional In-Lieu Fee Payment Calculations Measured Per Square Foot of the Leasable Area of One Unit in an Apartment Development		
Fraction	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In-Lieu Fee: Apartment Development
0.10	\$50.00	\$40,310
0.20	\$100.00	\$80,620
0.30	\$150.00	\$120,930
0.40	\$200.00	\$161,230
0.50	\$250.00	\$201,540
0.60	\$299.90	\$241,770
0.70	\$349.90	\$282,080
0.80	\$399.90	\$322,390
0.90	\$449.90	\$362,700
1.00	\$499.90	\$403,000

Recommended Fractional In-Lieu Fee Payment Calculations Measured Per Square Foot of the Saleable Area of One Unit in an Ownership Housing Development		
Fraction	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In-Lieu Fee: Ownership Housing Development
0.10	\$47.80	\$70,100
0.20	\$95.70	\$140,300
0.30	\$143.50	\$210,400
0.40	\$191.40	\$280,600
0.50	\$239.20	\$350,600
0.60	\$287.00	\$420,700
0.70	\$334.90	\$490,900
0.80	\$382.70	\$561,000
0.90	\$430.60	\$631,200
1.00	\$478.40	\$701,300