

91.107.4.6. Arts Development Fee.

91.107.4.6.1. Arts Fee. The owner of a development project for a commercial or industrial building shall be required to pay an arts fee in accordance with the requirements of this section.

91.107.4.6.2. Fee Amount. The Department of Building and Safety shall collect an arts fee in the following amount:

1. **Office or research and development.** For an office or research and development building, the arts fee shall be \$1.57 per square foot.
2. **Retail.** All retail establishments shall pay an arts fee of \$1.31 per square foot.
3. **Manufacturing.** For a manufacturing building, the arts fee shall be \$0.51 per square foot.
4. **Warehouse.** For a warehouse building, the arts fee shall be \$0.39 per square foot.
5. **Hotel.** For a hotel building, the arts fee shall be \$0.52 per square foot.

In no event shall the required arts fee exceed either \$1.57 per gross square foot of any structure authorized by the permit or one percent of the valuation of the project designated on the permit, whichever is lower, as determined by the Department of Building and Safety. Where there are combined uses within a development project or portion thereof, the arts fee shall be the sum of the fee requirements of the various uses listed above. The Cultural Affairs Department shall revise the arts fee annually by an amount equal to the Consumer Price Index for Los Angeles as published by the United States Department of Labor. The revised amount shall be submitted to Council for adoption by ordinance.

91.107.4.6.3. Time of Collection. Except as provided in Section [91.107.4.6](#), the Department of Building and Safety shall collect an arts fee before issuance of a building permit for commercial and industrial buildings required by this code.

91.107.4.6.4. EXCEPTIONS:

The arts fee required by Section [91.107.4.6](#) shall not be assessed for the following projects or portions thereof:

1. Any project for which the total value of all construction or work for which the permit is issued is \$500,000 or less.
2. The repair, renovation or rehabilitation of a building or structure that does not alter the size or occupancy load of the building.
3. The repair, renovation or rehabilitation of a building or structure for the installation of fire sprinklers pursuant to [Division 9](#).

4. The repair, renovation or rehabilitation of a building or structure that has been made to comply with [Division 88](#) (Earthquake Hazard Reduction in Existing Buildings) subsequent to a citation of noncompliance with [Division 88](#).

5. The repair, renovation or rehabilitation of a building or structure for any handicapped facilities pursuant to this code.

6. All residential buildings or portion thereof. This exception does not include hotels.

91.107.4.6.5. Use of Arts Fees Acquired Pursuant to Section 91.107.4.6. Any arts fee collected by the Department of Building and Safety shall be deposited in the Arts Development Fee Trust Fund. Any fee paid into this fund may be used only for the purpose of providing cultural and artistic facilities, services and community amenities which will be available to the development project and its future employees. Any cultural and artistic facilities, services and community amenities provided shall comply with the principles and standards set forth in the Cultural Master Plan when adopted.

At or about the time of collection of any fee imposed by this section, the Cultural Affairs Department shall identify the use to which the arts fee is to be put, and if the use is financing public facilities, the facilities shall be identified.

91.107.4.6.6. Projects Covered by Ordinance 164,243. (Ord. No. 173,300, Eff. 6/30/00, Oper. 7/1/00.) In 1988, the City enacted Ordinance 164,243 which states in part:

“This ordinance is an interim measure while the City of Los Angeles is giving consideration to the enactment of an Arts Development Fee Ordinance. The owners of a development project shall be obligated to pay an Arts Development Fee if such fee is adopted in the future by the city. The fee will not exceed one percent (1%) of the total value of work and construction authorized by the building permit issued to a development project. This fee would be used to provide adequate cultural and artistic facilities, services and community amenities for the project.”

By enacting Section [91.107.4.6](#) (previously Section 91.0304(b)(11)), the City has adopted the Arts Development Fee referred to by Ordinance 164,243. Accordingly, an arts fee shall be paid to the City of Los Angeles by owners of development projects which received building permits between and including January 15, 1989, and the effective date of this section. This arts fee described in this section shall be paid within 60 days of receipt of a request for payment of an arts fee. All exceptions listed in Section [91.107.4.6.4](#) shall apply to owners of development projects subject to Ordinance 164,243.

The Office of Finance shall bill and collect the Arts Development Fee owed by those persons to whom notice was given pursuant to this paragraph for the period January 15, 1989, through May 7, 1991. The amount due shall be paid in full within 60 days of the billing date unless an agreement to pay in installments pursuant to this paragraph is approved by the Office of Finance. Persons indebted to the City of Los Angeles for Arts Development Fees may, upon approval by the Office of Finance, enter into an agreement with the City of Los Angeles to pay such fees in installments over a period not to exceed one year. The Office of Finance shall collect a service fee of \$10.00 on each monthly installment to recover the cost to the city of processing installment payments. The Cultural Affairs Department is hereby authorized to negotiate and accept payment in kind for the Arts Development Fee owed by those persons to whom notice was given pursuant to this paragraph for the period January 15, 1989, through May 7, 1991. The Cultural Affairs Department shall provide notice to the Office of Finance of the name of the person on whose account such in kind payment was accepted, and whether the in kind payment constitutes payment in full or only a specified portion of the Arts Development Fee owed.

The Office of Finance is authorized to record payment in full, without further notification to the person billed, for cash or in kind Arts Development Fee payments received that are within \$3.00 of the amount owed.