

San Diego City Council Repeals Housing Linkage Fee Increase

In a win for BOMA San Diego and BOMA International's Industry Defense Fund (IDF) Oversight Committee, the City Council of San Diego unanimously repealed on Tuesday, March 4, 2014 a 400 to 800 percent increase in the so-called "workforce housing offset" or "linkage fee." This fee, in place since 1990, helps fund affordable housing units under the premise that a financial nexus exists between jobs created by commercial development and housing affordability. BOMA International's IDF Committee approved funding of \$30,000 to help BOMA San Diego and the JOBS Coalition to fight this dramatic increase in the linkage fee, which would have resulted in an immediate increase to development costs equaling hundreds of thousands, if not millions, of dollars for future projects. For managers, tenants, and vendors this would have increased rents, put San Diego at a competitive disadvantage as other jurisdictions in the region do not charge this fee, and ultimately stifled job creation and harmed the regional economy. Congratulations to BOMA San Diego and its partners in the JOBS Coalition for defeating this unfair increase in the housing linkage fee. There is more to be done, including several meetings with fee opponents and affordable housing advocates to talk about next steps.