



San Diego REALTORS® Help Defeat Proposed “Jobs Tax” – May 2014

The Greater San Diego Association of REALTORS® (SDAR) needed a lot of signatures - - 34,000 authentic and verifiable signatures, to be exact. That was the number required to get a referendum on the June 2014 ballot to overturn an onerous fee increase on developers.

The city ordinance was set to increase the “housing affordability linkage fee” imposed on developers of office buildings and mixed-use residential developments by as much as 700 percent. A coalition led by the SDAR and its allies in the business community had just 26 days -- beginning on Christmas day -- to collect enough signatures to oppose the increase in the commercial development fee at the ballot box.

The more-than-12,000-member SDAR and its partners in the coalition were certainly for affordable housing, but they knew that the massive tax increase targeting real estate instead of a broad-based solution would mean an onerous threat to the region's economy. As Jordan Marks, SDAR's Director of Government Affairs, explains, "For managers, tenants, and vendors, it would increase rents, put San Diego at a competitive disadvantage within the region, and, ultimately, eliminate the creation of thousands of good-paying jobs."

The coalition's rallying cry that the increased tax on new construction and tenant improvements was a "jobs tax," was a message that resonated well in the community. Former Mayor Jerry Sanders, the coalition's chief advocate and spokesman, is widely respected, and attracted lots of media attention and public support. Its website, www.stopthejobstax.org, was an effective information platform. SDAR contributed a \$10,000 Issues Mobilization Grant from the NATIONAL ASSOCIATION OF REALTORS® toward the cost of signature gathering.

SDAR's own volunteer signature-gathering effort involved email blasts to members, office visits, and talks at open house caravans. "So many of our committee members, especially those on the RPAC Committee, are very active in their communities," points out Leslie Kilpatrick, the association's 2014 President. "They made a real effort, fanning out and reaching all those they could." Of all the volunteer groups in the coalition, she notes proudly, the REALTORS® collected the most signatures, and the authenticity of those signatures was consistently high -- especially important, since the Registrar of Voters, whose office is responsible for validating the signatures, would toss out 1,000 signatures for every 'bad' signature submitted.

The coalition collected a whopping 53,000 signatures, far more than were required to put a referendum on the ballot. All those signatures turned the tide: the City Council saw that the issue would not do well in a public vote, and decided to rescind the tax increase altogether.

Though it worked to defeat the increase in commercial development fees linked to housing affordability programs, SDAR is clearly in support of affordable housing. Kilpatrick and a fellow SDAR member have been appointed to the Housing & Homeless Committee of the mayor's 30-member advisory council, where they bring key REALTOR® expertise and perspective to the issues of affordability, zoning, and building.



SDAR is focused on a clear, multi-pronged approach to promoting affordable housing, working with the city on more efficient programs; private funding for work force housing; a call to ensure existing funds intended for affordable housing actually be used for affordable housing; and potential city infrastructure sources.

"I am very lucky, having the internal support and culture in our association that makes this kind of issues mobilization possible," says Marks. "You can hire one or 20 staffers for your government affairs program, but it simply won't make a difference unless that culture of leadership is there." Kilpatrick, meanwhile, credits Marks with building a highly effective core group of members who are educated on the issues, and comfortable going out into their communities to talk about them.

She adds, "My leadership journey has led me to the belief that the REALTOR[®] Party is the single most important benefit of being a REALTOR[®]. It's about investment in our city, and protecting property rights, and homeownership issues. We could not have pulled off this success without the funds from the REALTOR[®] Party. The funding was important in and of itself, but it was also a way to leverage the grass roots effort: we could point to it and say to our members, 'Look! This is something that got the attention and backing of the National Association! It needs your backing, too!'"

"Everywhere I go, the political leadership has noticed the effort of the REALTORS[®]," she continues. We're not only the city's largest trade association, but we're politically active, and deliver results. We really have a seat at the table in San Diego, and we're using that power for good."

To learn more about how the REALTORS[®] of Greater San Diego helped stop an increase in commercial development fees, contact Jordan Marks, Director of Government Affairs of the Greater San Diego Association of REALTORS[®], at govaffairs@sdar.com or 858.715.8000.



Leslie Kilpatrick
2014 SDAR President



Michelle Hellerud, SDAR RPAC Vice Chair, gathering signatures with Chris Cate, San Diego County Taxpayer Vice President



Rick Alexander, SDAR Commercial Vice President, and Vicki Mahanna Campbell, SDAR Government Affairs Chair, at San Diego City Council Meeting