

# Memorandum

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**TO:** Mayor and Council, City of San Jose

**FROM:** Jeffrey Buchanan, Working Partnerships USA

**SUBJECT:** Concerns on staff recommendations on the Commercial Linkage Fee, key data left out of analysis of market strength.

**DATE:** 8/26/2020

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On behalf of Working Partnerships USA and our Silicon Valley Rising partners, I would like to express our deep concerns about the inadequacy of the Commercial Linkage Fee proposal put forward by staff on August 21. This proposal fails to accomplish the stated goal of the fee, preventing displacement from future commercial projects, particularly high tech office projects, in the City of San Jose. In fact the primary features of this policy--fees that fall 43-78 percent below the average fee of other Silicon Valley cities (\$23.38/sf) for office projects, delayed payments until after projects may already start to drive displacement, and loopholes for high tech uses that could be characterized as either R&D or office—are nothing less than a recipe for further displacement.

Funds raised by this fee will only mitigate about 5 percent of the impact of commercial office projects marketed to high tech users on rising housing costs. Nine developers Boston Properties, Peery Arrillaga, KT Urban, Peery Arrillaga, Apple, Bump Associates/FM Development, Westbank, Jay Paul and Google have proposed 30 million square feet of commercial office projects across Downtown and North San Jose that make up the majority of the City's current development pipeline. By deeply discounting fees for these developers, the City would be actively pushing externalized costs onto San Jose residents, in the form of increased rents and unfunded affordable housing mandates. It could also leave the City roughly 5,000 units of affordable housing short of what KMA's fee schedule could have created, units that could be the difference between whether the City keeps the Mayor's affordable housing promises.

This proposal fails to recognize the enormous impacts of the coronavirus on low wage workers and communities of color, making the need for affordable housing even greater than before. The lack of a racial equity analysis creates a huge blind spot in staff's presentation and conclusions.

While there are questions about the future of the office market in San Jose, there is no evidence to suggest those questions will be solved by a deeply discounted commercial linkage fee. While many working families are suffering, the main driver of the office market in San Jose, the tech industry, which accounts for more than three quarters of leasing new office in Silicon Valley, has thrived relative to other industries despite the pandemic. Beacon Economics report tech experienced only around 3 percent job losses during shelter in place. The growth of tech companies during the pandemic has resulted in the biggest tech companies (who happen to account for nearly 30 percent of Class A office rental and ownership in Santa Clara County) seeing their stocks rise 43 percent over the year.

Staff's proposal ignores the majority of the findings of the lengthy and expensive feasibility study the City first voted to pursue back in 2018, and instead has replaced the expert analysis of Keyser Marsten Associates with a set of assertions and unbacked claims about the strength of San Jose's market while ignoring readily available data to the contrary. A review of commercial real estate market data and the growing scale of the City's development pipeline paints a much different picture than presented by staff:

- In June 2020, at the height of the pandemic, all of our neighboring cities (with the exception of Milpitas which already laid out its fee increases prior) voted to increase their linkage fees.
- According to CoStar, as of 8/25/2020, San Jose currently has roughly as much proposed square footage of Class A commercial office space as the entire rest of Santa Clara County combined.
- Asking rents for Class A office space in San Jose in the past 12 months have risen faster than neighboring cities, increasing between 2020 Q1-Q2 during the pandemic as other cities have fallen. In Q2 2020 the average gross asking rent for Class A office in Downtown San Jose (\$58.71/sf) was higher than the average across Santa Clara County (\$57.72/sf) and far surpassing neighboring Santa Clara (which currently has an office linkage fee of \$21.36.) In Downtown West (\$64.20/sf), CoStar shows rents similar to Sunnyvale (\$62.05/sf) and Cupertino (\$64.20/sf). Yet staff is proposing a commercial linkage fee well below these neighboring competitors.
- San Jose currently has 4 times more Class A commercial office projects proposed or under construction than the City has built in the last 20 years.
- Since the shelter in place order closed many office uses on March 15, according to media accounts, developers like KT Urban, JP DiNapoli, Peery Arrillaga, and BayWest and Sobrato Organization have proposed roughly 150% more square footage of Class A Office (6.2M) than has been built in the City since 2008.
- Since the pandemic, nearly \$1B in commercial office deals have been financed in the City of San Jose, despite the public health orders shutdown of many office uses. Despite claims by staff of financing drying up, experts like Newmark Knight Frank claim while there is less activity, some banks are still considering finance of construction on commercial projects and nationwide financing has only dropped by 25 percent. Additional research by Newmark Knight Frank suggest Silicon Valley still has among the highest levels of return of any office market in the US.
- Currently according to CoStar the City has over 1.6M sf of Class A office in construction. Even in Q3 2020, well into the pandemic, we added over 500,000 sf of construction.
- A reading of trade journals, business press and even the Mercury News have chronicled that developers are still bullish on the long-term prospects of the office market in San Jose, and the fundamentals of transit investments and anchor developments by Google and Jay Paul have been cited as reasons developers continue to build, entitle and propose new projects.

Based on these indicators of the relative strength of the market, we recommend that Council:

1. Propose a fee structure for office and R&D projects aligned with what Keyser Marsten Associates reported was feasible, namely:
  - a. For Downtown, \$25/sf for low- and mid-rise office/R&D and \$30/sf for high-rise office/R&D (150 feet or higher)
  - b. For West San Jose and Berryessa Urban Village, \$20/sf office/R&D
  - c. For the rest of the City, adopt a \$10/sf office/R&D.
2. Moving the payment of Commercial Linkage Fee to the time of pulling a building permit, in line with most other cities in Santa Clara County (with the exceptions of City of Santa Clara.)
3. As recommended by KMA, R&D projects should be included in the fee structure for offices, not for light industrial given the large number of high tech firms using space qualified as R&D and the number of conversions of properties in North San Jose from R&D to office.

## Analysis

i. **San Jose has fallen far behind on its affordable housing goals, if we pass a deeply discounted Commercial Linkage Fee we may never catchup.**

As of the most recent analysis, San Jose was \$500 million short of Mayor Liccardo and City Council’s goal of building 10,000 affordable units by 2022, a balance of 4,300 units. Similarly, the City has only met 18% of its Regional Housing Needs Assessment goals for affordable housing. Yet staff proposed such a small Commercial Linkage Fee, it may only produce \$15M toward that goal over the next 3 years.

According to KMA’s analysis, High Tech Office creates a \$151.30 affordable housing need per a square foot, which across a 100,000 sf building equals about 90 more affordable housing units needed than a regular office building. According to Cushman Wakefield, the tech sector continues to dominate Silicon Valley’s office leasing market, covering 78.1% of all leases in 2018.

Across the City, nearly 30 million square feet of office projects, most of which according to news reports are being marketed to high tech future lessors, are being planned by nine largest developers, including Boston

Properties, Apple and Jay Paul. If we were to add the amount of affordable housing need generated by these planned projects to that goal at staff’s proposed fees, **we would be setting the City over \$4 billion further back from our affordable housing goal, with more than 20,200 additional families with needs unmet.**<sup>1</sup> The proposed Linkage Fee, rather than moving us closer to our goals, could set us five times further back from our affordable housing goals. In fact the proposed fee (\$10/sf for downtown and \$5/sf elsewhere **only covers 5% of the needs generated.**

KMA Nexus Analysis, San Jose's Maximum Fee Conclusions	
Use	Fees <sup>1</sup>
Office	\$137.70
Office, High-Tech	\$151.30
Retail	\$176.70
Hotel	\$61.60
Industrial	\$131.90
Research and Development	\$108.80
Warehouse	\$45.90
Residential Care	\$44.60

<sup>1</sup> Maximum fee levels reflect the cost of mitigating affordable housing impacts of new development expressed per square foot of gross building area excluding parking.

<sup>1</sup> This includes projects proposed by Apple, Boston Properties, Bump Associates/FM Development, Jay Paul, Google, KT Urban, Peery Arrillaga, Sobrato Organization and Westbank/Urban Community, which news articles highlighted as targeting high tech companies assuming the affordable housing need generated for High Tech Office outlined by KMA’s Nexus Study and project details in the Office of Economic Development’s Major Economic Projects List. See attached analysis of need created.

Office Developers Marketing to Tech Users	Net Square Footage Planned	Proposed Fees Potentially Generated	Unmet Need (\$)	Unmet Need (Homes)	Percent Need Met	Fewer Homes than KMA from Staff Recommendations
Peery Arrillaga	2,307,000	\$11,535,000	\$337,514,100	1,624	3.30%	166
Boston Properties	3,088,907	\$24,444,535	\$442,907,094	2,131	5.20%	554
Jay Paul Co	2,839,433	\$28,394,330	\$401,211,883	1,930	6.60%	727
Sobrato Organization	586,286	\$5,862,860	\$82,842,212	399	6.60%	150
Apple	6,950,000	\$34,750,000	\$1,016,785,000	4,893	3.30%	500
Google	6,500,000	\$65,000,000	\$918,450,000	4,419	6.60%	1664
Westbank/Urban Community	1,521,600	\$15,216,000	\$215,002,080	1,035	6.60%	390
Bump/FM Development LLC	3,634,192	\$18,170,960	\$531,682,290	2,559	3.30%	262
KT Urban	1,800,000	\$18,000,000	\$254,340,000	1,223	6.60%	461
<b>TOTAL</b>	<b>29,227,418</b>	<b>\$221,373,685</b>	<b>\$4,200,734,658</b>	<b>20,213</b>	<b>5.00%</b>	<b>4873</b>

Source: WPUSA analysis of KMA Nexus Study and OED's Major Economic Project list for June 2020

ii. **Staff recommends far lower fees than KMA analyzed as feasible with little concrete analysis for why adjustments were necessary.**

KMA's analysis showed that commercial development in San Jose could bear much larger fees than staff actually proposed. In the case of offices, the staff's proposed fees were a tiny fraction of what KMA analyzed as feasible given current and projected rents. In the case of the some of the large office projects marketed to high tech users, staff's recommendations were less than one-fourth what KMA suggested was feasible for a high rise, high tech office project could afford downtown.

Staff's decision to not to include the table of findings of feasibility in the staff memo, after waiting since 2018 for this analysis, was a disservice to the public and Council directed process.

Such a substantial discount to fees could leave the community with as much as 5,000 fewer affordable homes than the schedule KMA suggested was feasible across the above referenced proposed projects. Staff fails to show why a Downtown or West San Jose office project should pay \$10 or \$5 respectively instead of \$25 and \$20. Despite paying experts significant amounts of money to estimate the feasibility of fees, staff seem to completely ignore the majority of KMA's findings.

KMA Feasibility Report, San Jose Supportable Fee Levels Per Square Foot of Gross Floor Area						
	Downtown & Nearby	North SJ & Nearby	West SJ	Edenvale	Monterey Corridor	South & East SJ
Office/R&D	\$25/SF mid-rise \$30/SF high-rise	\$10/SF	\$20/SF	\$10/SF		None
High-Tech End User <sup>1</sup>	\$35/SF mid-rise \$42/SF high rise	\$14/SF	\$28/SF	\$14/SF		None
Neighborhood Retail		None	None	None		None
Hotel	\$10/SF	\$15/SF	\$10/SF	\$5/SF		
Warehouse		\$10/SF		\$7.5/SF	\$5/SF	
Light Industrial		\$7.5/SF		None	None	

Source: KMA Feasibility Study

<sup>1</sup>KMA's alternative analysis noted a high tech single user could afford a 40 percent higher fee.

Nexus Category	Fee Category	Downtown	Rest of City
Office	Office Development less than 100,000 square feet	\$3/SF	
	Office Development greater than or equal to 100,000 square feet	\$10/SF	\$5/SF
Retail	Retail/Commercial Development less than 100,000 square feet	No Fee (\$0)	
	Retail/Commercial Development greater than or equal to 100,000 square feet	\$3/SF	
Hotel	Citywide Hotel Uses	\$5/SF (approx. \$3,300 per room)	
Industrial (combined Research and Development)	Industrial Development less than 100,000 square feet	No Fee (\$0)	
	Industrial Development greater than or equal to 100,000 square feet	\$3/SF	
Warehouse	Warehouse/Distribution	\$5/SF	
Residential Care	Residential Care	\$18.70 / SF	

Source: Staff memorandum 8/21

### iii. The tech industry is still the driver of the office market, and is doing well

According to numerous article interviewing developers, commercial brokers and industry experts even those sites not owned by tech companies are likely to target to single-user, high tech companies for leasing, marketed as “high tech mega-campuses.” In recent years, tech companies pre-lease 76% of new office leasing in Silicon Valley [according to CBRE](#). Looking at the examples detailed by KMA, developments with a high tech client on board, are likely to have substantially higher costs, and such costs could create an additional 40 percent of feasible fees for office uses, across geographies.

Industry experts like Erik Schoennauer noted in an April 23rd SV Business Journal article: “High-quality buildings in good locations, especially near transit, should maintain their appeal...Office buildings designed for large tech, single-users should maintain the highest demand.”

And its not just the feasibility that is different. According to KMA's Nexus Analysis, a 1,000,000 square foot high tech office project creates additional demand for 90 affordable housing units than regular office. In financial terms, high tech offices create an additional 15 percent in affordable housing need per a square foot compared to other office uses. This is a significant difference.

In April as the region's unemployment skyrocketed, tech jobs only decreased by 3.4 percent in Santa Clara County according to Beacon Economics, as opposed to service sectors like accommodations and hospitality where more than half of workers lost jobs. San Jose's Metro Area has among the lowest unemployment rates in California post-COVID according as of August according to the Bureau of Labor Statistics. Just as Silicon Valley led the economic recovery for the state emerging from the Great Recession, the concentration of high tech jobs may insulate San Jose's recovery from the worse.

Not only has the tech sector remained resilient to the emergency, numerous companies have benefited from the emergency. During the mid-March to August 18 period, Apple, Facebook, Amazon, Netflix, Microsoft and Google (who happen to own or rent roughly a third of all Class A commercial office space in Silicon Valley) saw their stock prices rise by 43 percent.

Further analysis by Beacon Economics points to jobs in Information and Professional Services sectors, where most of Silicon Valley's high tech jobs are concentrated, as the least likely to be vulnerable to job loss as the coronavirus recovery continued.

**i. Staff fails to take racial equity into account in recommendations**

Despite a robust citywide conversation on racial justice in recent months, the staff report say NOTHING about the racial equity impacts of their proposed policy. Before COVID-19 nearly one in three Black and Latinx renter families in San Jose were extremely rent burdened, paying half of their income to make rent each month. Amid the pandemic, Black and Latinx women are three times as likely to face job losses and Black and Latinx families are also three times as likely as white and Asian families to report being unable to pay their next month's rent.<sup>2</sup> Also, Black and Latinx households represent a disproportionate share of COVID-19 cases in Santa Clara County. In addition, the five zip codes in the County with among the highest rates of COVID-19 infections in East San Jose were also the areas with the highest number of families calling the Santa Clara County Covid Assistance Navigation hotline for assistance with rent relief, nutritional assistance and unemployment. These households and neighborhoods will face an even greater need for affordable housing post-COVID but the staff's deeply discounted fees fails to take into account this need.

When it comes to the job creation likely to result from this commercial development, because of the occupational segregation in the tech sector, Black and Latinx workers who work in these buildings will be most likely to work in jobs that pay too little to afford housing. Only roughly 10% of tech workers are Black or Latinx, but 58% of low and moderate wage blue collar subcontracted workers in tech (like janitors, security officers, food service workers and shuttle drivers) are Black or Latinx.<sup>3</sup>

Furthermore, these projects are more likely to increase the rent burden of Black and Latinx families in San Jose than to provide economic benefits to them based on past trends. Additionally, after this one project, based on expected construction and wage growth, Beacon estimated the projected share of

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<sup>2</sup> See "Eviction Time Bomb" <https://www.wpusa.org/research/eviction-time-bomb/>

<sup>3</sup> See "Tech's Invisible Workforce" <https://www.wpusa.org/research/techs-invisible-workforce/>

income from Latinx tenants going to rent each month would rise from 34 percent to 42 percent and for Black and other races from 35 percent to 53 percent by 2030. If such a calculation took the additional 23 million square feet of office proposed by major developers into account, Black and Latinx tenants would likely both be paying more than half of their income to rent by 2030, ensuring an even greater likelihood of displacement.

**ii. Staff's proposed fees are much lower than neighboring cities, ignore recent increases in rents.**

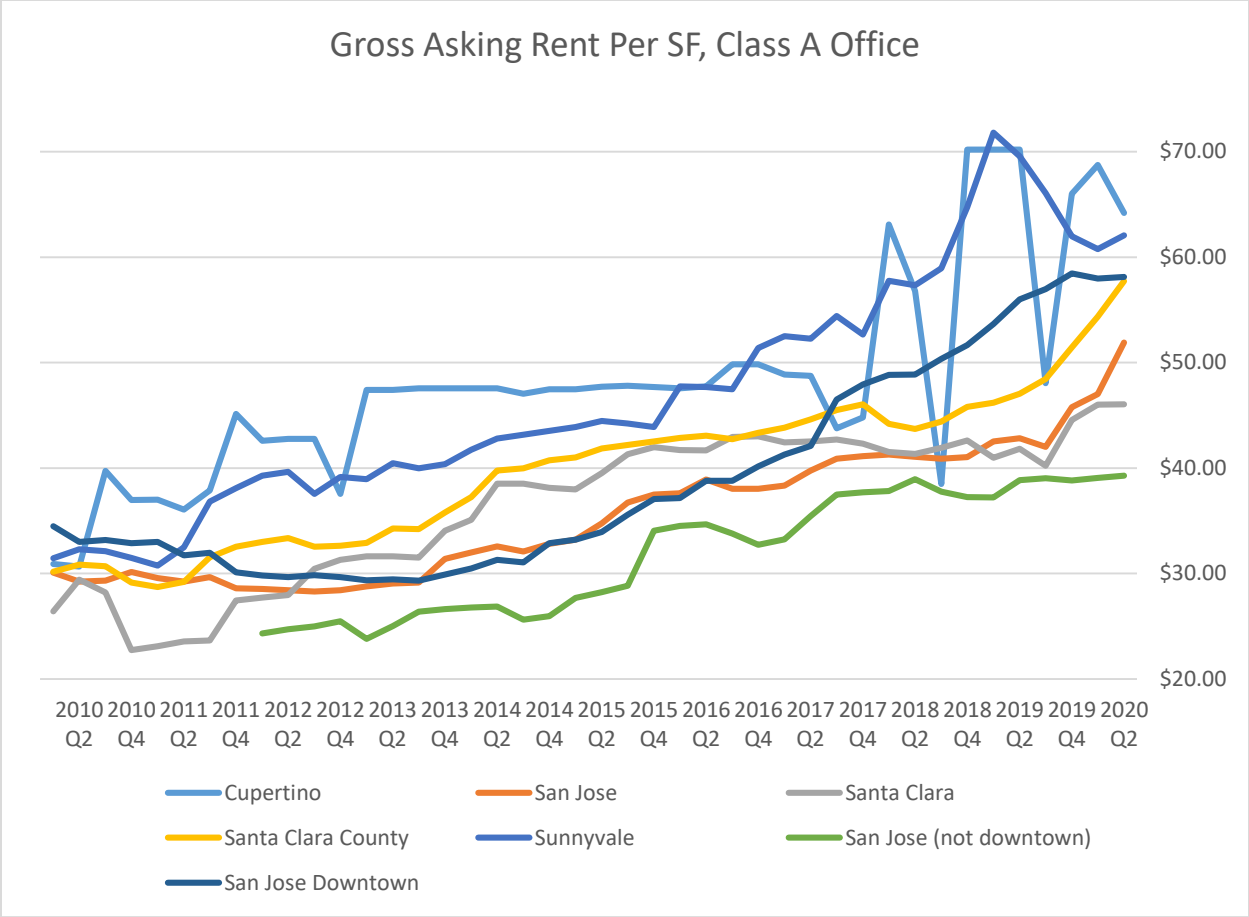
The staff report, and KMA's analysis, seem to ignore rising Class A office rents in San Jose, especially in the Downtown, over the past few quarters, currently at \$51.90 citywide.

Gross Asking Rents in San Jose this past year for Class A office space, despite the public health orders shutting down most office uses indefinitely, have continued to rise between roughly the beginning of the pandemic in end of Q1 to the most recent reporting in Q2 according to CoStar data. Between Q2 2019 and Q2 2020 rents for Class A office space across the City increased 21 percent. In markets like the west side of downtown, near the future Diridon BART Station and Google's planned development, rents have skyrocketed for Class A office, reaching \$64.20 in Q2 2020, an increase of \$7.50 a square foot annually from that time in 2019.

These office rent increases in 2020 are important for two reasons:

1. The significant rent growth experienced in 2020 despite a pandemic is not reflected in the staff memo, which paints an inaccurate picture of how far current rents would need to grow to make the fees discussed in the report in the Downtown and other areas feasible. As of now in San Jose citywide, average Gross Asking Rents are higher than Santa Clara (which has a linkage fee of \$21.36/sf) and within 10% of the average rent across Santa Clara County (average CLF across cities is \$24.17/sf) and 20% of Sunnyvale (\$18/sf fee) and Cupertino (\$25.31/sf fee). In downtown, rents are higher than Santa Clara, and even closer to Sunnyvale and Cupertino. In Downtown West, rents are higher than Sunnyvale and equal to Cupertino.
2. Despite a pandemic, the San Jose real estate market is defying expectations as landlords and developers have not only not reduced rents, as we've seen in some other cities, they've been increasing during the pandemic, presumably based on expectations of a recovery.

According to CoStar, for Class A Office Space (which is what most new construction of office geared toward high tech is classified) in Q2 2020 has seen gross asking rents rise to \$58.13/sf Downtown. Downtown now rents are higher than the average lease in Silicon Valley (\$57.72/sf) and closing distance with neighboring Cupertino (\$64.20/sf) and Sunnyvale (\$62.50/sf) and far surpassing City of Santa Clara (\$46.04/sf). The rest of San Jose has rents of \$39.07, roughly 68 percent of the County average (though rents in West San Jose are particularly stronger.)

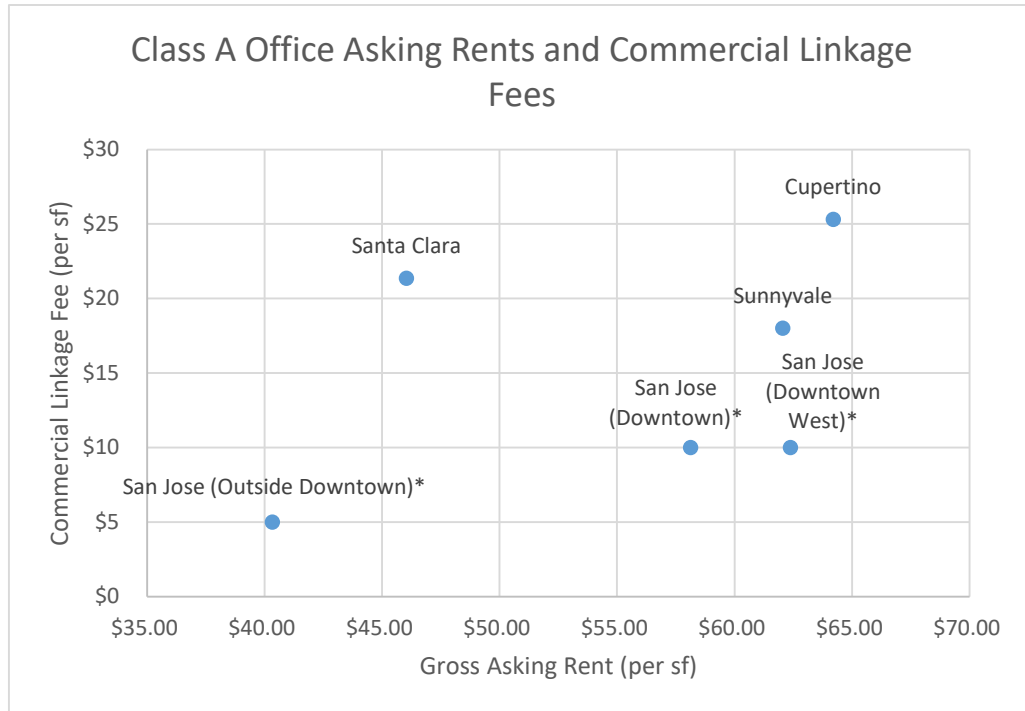


Source: Costar Annual Gross Asking Rents per a square foot, quarterly, Class A office space

Yet the City is proposing fees that are only a small fraction of what San Jose’ other closest competitors charge for office uses in the Downtown and much lower across the rest of the City. Despite having higher rents already than the City of Santa Clara and the regional average rents, downtown San Jose development would pay less than half their fees.

Even in areas outside downtown in San Jose, \$5/sf seems disproportionately small in comparison to the regional average of \$23.38 given San Jose rent level and recent growth rate.





Source: Gross Asking Rent (Q2 2020) via CoStar, as accessed 8/23/2020;

Its important to note that every city in Santa Clara County that had not previously approved a fee rate for FY20/21 voted in June as part of their budgets to increase their fees despite the pandemic. No one paused on their previously planned increases, presumably because of confidence in strength of the market.

Commercial Linkage Fees in other Silicon Valley Cities FY20/21				
City	Office/R&D	Retail	Industrial	Hotel
Mountain View	\$29.15	\$3.12	\$29.15	\$3.12
Cupertino	\$25.31	\$12.30	\$25.31	\$15.00
Santa Clara	\$21.36	\$5.34	\$10.68	\$5.34
Sunnyvale	\$18.00	\$9.00	\$18.00	\$9.00
Palo Alto	\$38.49	\$22.40	\$22.40	\$22.40
Milpitas	\$8.00	\$8.00	\$4.00	\$8.00
Proposed San Jose*	\$5-\$10	\$0-3	\$3	\$5
Average**	\$23.38	\$10.03	\$18.26	\$10.48

\*Proposed fees in staff memo.

\*\* Average does not include proposed San Jose fees

**iii. Commercial real estate experts believe San Jose has a strong office market, despite COVID-19**

Silicon Valley's office market remained sturdy during the second quarter of 2020 despite widespread coronavirus-linked business shutdowns, [a new report from real estate firm CBRE shows](#).

According to a July 14th article by CoStar, a leading real estate analytics firm, San Jose is becoming the center of commercial real estate deals in the Bay Area despite the coronavirus, "Even with the backdrop of a global pandemic, a flock of new developers, corporate tenants and investors have primed the South Bay city to grow about 50% in the next two years in office development, according to industry estimates."

Jesse Gundersheim, CoStar's director of market analytics says, ""There are a lot of investors coming in now, like Jay Paul, that have long-term confidence in the region and the market, likely because of overall confidence in the tech industry...Volume in San Jose is still active overall, and there will be a lot of long-term growth with tech tenants it has or will likely attract."

Similarly, Shane Minnis, vice president, Colliers San Jose office said "Silicon Valley is still a strong [commercial real estate] market...The tech and innovation sectors, along with medical devices and those types of industries, are still steady and still strong even in today's environment."

Nick Goddard, a Colliers broker noted July 14th he sees San Jose's office market as still hot, San Jose's office development strength, "Silicon Valley's economy was the strongest it has every been back in February, and all of the reasons for that haven't changed. The fundamentals have always been there, but San Jose laid out the welcome mat for companies, and now, it is the kind of place they're looking for."

**iv. Construction and the entitlement process [is still moving forward](#) for a number of large office projects targeting tech companies. We've seen a jump in projects seeking entitlement and projects going to construction during the pandemic.**

Despite the coronavirus, over 1.6 million square feet of office across downtown, West and North San Jose are currently under construction: including Adobe's new office tower; Jay Paul's tower at 200 Park Ave; the next phase of Peery Arrillaga north San Jose campus; and Federal Realty's One Santa Row. Despite the pandemic, the City added over 500,000 square feet in new construction starts for Class A office in Q3 2020.

Additionally, the Mercury News on 8/24 just announced an Acquity Realty tower downtown including 123,000 sf of office is financed and headed into construction in a few months despite the pandemic.

Currently San Jose has four times more Class A office under construction or proposed (over 30M sf) than has been built in last 20 years (6.8M sf). Only one high profile project, Boston Properties Platform 16, has delayed its construction. San Jose has roughly as many sq ft of planned Class A office (24.9M sf) as the rest of Santa Clara County combined (25.6M sf) according to CoStar.

Developers Jay Paul, Urban Catalyst, Boston Properties, J.P. DiNapoli, Peery Arrillaga, Sobrato Organization, Bump Associates, KT Urban and the venture of Gary Dillabough and Westbank are all actively planning major new office projects in addition to plans by Google and Apple. In fact, since the shelter in place order, a number of new office projects have been proposed for entitlement: J.P. DiNapoli Cos proposed a 20 story 585,000 sf tower on Almaden Blvd; Peery Arrillaga proposed an additional 1.3M sf addition to its N First campus; a [new mixed use project](#) including 66k sf of office on N First; 2 million square feet tech campus by Bay West Development in NSJ; two 20 story office towers at

Woz Way by KT Urban for a total of 1.8M of high tech office; Sobrato Organization is finalizing a proposal for a 19 story Market Street Towers project expected to be the tallest in the City, including 568,266 sf of office.

**v. Sales prices continue to grow, finance continues for transactions for office**

Since the pandemic, according to CoStar, the per a square foot price of Class A office space in the City has risen to \$633 a square foot. New office projects are highly sought after in San Jose. For instance, industry experts suggested soon to be completed Coleman Highline office projects near the Santa Clara Caltrain could sell for over \$800 a square foot, shattering records set by Jay Paul's past acquisition of \$667 a square foot.

**vi. New acquisitions and financing continue to be announced since the pandemic**

Since shelter-in-place, developers and investors are still confident enough in the market to continue raising capital for major acquisitions with an eye toward development, with nearly \$1B in activity:

- In March, ACORE provided \$240 million in financing to Westbank and Urban Community for their development portfolio downtown.
- [CBRE Global Investors](#), paid \$173.5M on June 30 for two North San Jose office buildings.
- Hunter Properties secured a \$155 million loan package for refinancing Coleman Highline.
- John Barrett paid \$131.8 million for an office tower at 160 W. Santa Clara St. on June 29.
- [Miramar Capital paid \\$54.5 million](#) of offices with plans for development on Stevens Creek. Despite the pandemic, the project still received funding from California Bank and Trust.
- Miami-based Exan Group bought two North San Jose offices, for \$95.2 million.
- Urban Catalyst increased the size of its development goals, [adding plans for raising another \\$150M](#) to finance additional development in a plan that includes office.
- In June a fund managed by real estate investment firm Kennedy Wilson paid \$53.5 million on June 30 for six office and research buildings in south San Jose.
- In May, Takara Bio USA has bought two office buildings in North San Jose for \$44.8 million.
- In April, Jay Paul acquired 121 S. Market S for \$42 million in cash.
- Google acquired 25 acres from Cisco for \$41.2M in cash in April.

**vii. Financing has slowed but not stopped**

Nationwide, [capital markets](#) for commercial real estate acquisition, construction and refinancing have slowed the first half of 2020, by 25% percent compared to the first half of 2019, according to Newmark Knight Frank. That's far from a total shutdown. And San Jose's real estate market still shows among the highest annualized total returns of any office market. While activity for financing has decreased, it has not gone away, according to Ramsey Daya, head of Newmark's Debt and Structured Finance team in Northern California and the Pacific Northwest there are 20-25 lenders still bidding on Bay Area commercial real estate deals despite the pandemic. According to Daya, "But again, refinancings, construction debt — it's just all more challenging, it's more expensive, and there are just fewer lenders that are active in this space. But we're still seeing those transactions go down."

Even if capital has slowed for now, once we emerge on the other side of the pandemic, presumable Silicon Valley will benefit from their relatively higher returns on office.

**viii. While most cities charge fees at building permit, staff proposes paying at certificate of occupancy**

Staff proposes making developers pay at the time developers obtain their certificate of occupancy making the argument that paying earlier in the development cycle increases costs for developers (without articulating what that cost is specifically.) But most cities in the County, which have seen significant development in recent years, charge their fee at the time of building permit. Given the time it takes for a local government to collect fees and disperse it in order to build affordable housing projects to mitigate the impacts of a commercial development. Delaying collecting those fees until an office project is already built means a City is behind in mitigating potential displacement. For this reason, every city in Santa Clara County (with the exception of the City of Santa Clara) collects those fees at the building permit time and not at certificate of occupancy.

**ix. Staff fails to take into account growing needs of low and moderate income renters generated by COVID-19**

While staff took great detail to describe potential uncertainty for commercial developers created by the pandemic, they fail to detail the additional housing instability generated by the emergency. In Santa Clara County alone, more than 43,000 families are at great risk of eviction, debt and displacement as a result of this disaster. As a result of so many scrambling to make ends meet to pay their rent, its likely that many San Jose renter families who were rent burdened before the pandemic will face additional housing insecurity as a result of having to use limited assets to pay rent or to take on debt to continue making rent payments. Many of the sectors likely to be slowest to recover, including hospitality and accommodations that saw up to 50% unemployment, are largely low wage sectors, creating an even greater need for affordable housing going forward for these families. This stands in stark contrast to the economic reality of the tech industry, the primary user of office developments in our market, which saw only 3.4 percent job losses.

**x. While detailing the potential of commercial development to create tax revenue, the staff fails to weigh that against the impact of rising rents fairly.**

Commercial office developments in San Jose are likely to have a greater impact on the family budgets of San Jose residents via rent increases than through additional City services delivered. Looking one proposed 8 million square foot high tech office project in San Jose as an example, Google's Downtown West, Beacon Economics found the potential project would result in five times more dollars in additional rent increases (over \$124M) annually owed by San Jose families than additional property tax generated for city service each year.<sup>4</sup> Across nearly 30 million square foot of high tech office space, those divergent impacts will be felt even sharper by renters, who are disproportionately Black, Latinx and younger households in San Jose. Increased rents will likely create greater hardships for these households than the City services the more modest annual property tax increases will generate. A Commercial Linkage Fee is supposed to mitigate these impacts, but a fee that only mitigates 5% of it impact is too small.

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<sup>4</sup> See "Google Rent Hike" <https://www.wpusa.org/files/reports/GoogleRentHike.pdf>



August 31, 2020

The Honorable Mayor Sam Liccardo and City Council  
City of San Jose  
200 East Santa Clara Street  
San Jose, CA 95113

RE: Commercial Linkage Impact Fee, Council Item 8.2

Dear Mayor Liccardo and City Councilmembers:

On behalf of NAIOP Silicon Valley, we are submitting this letter to reaffirm the commercial development community's position regarding the proposed Commercial Linkage Fee (CLF). NAIOP Silicon Valley prefers no new fees, but if that is not feasible, we strongly recommend the lowest fees for office developments in downtown and zero fees for all projects outside of downtown San Jose.

We all recognize, once again, that San Jose is at a strategic crossroads. San Jose has the available property to materially increase not only residential units, but also commercial square feet which can directly translate to more jobs. This kind of potential opportunity to increase the scale and the relevance of the city only happens once every few decades. Our membership and leadership support both, but if we do not build the square feet that translate to jobs than the new residential units will not fix the city's ongoing problems.

As you know, NAIOP is America's leading association representing real estate developers, owners and related professionals in office, industrial and mixed-use real estate. NAIOP is comprised of approximately 20,000 members in North America. We stand for the advancement of responsible, sustainable economic development that creates jobs and benefits the communities in which our members work and live. Locally, the NAIOP Silicon Valley Chapter supports the economic jobs engine of Silicon Valley. A vast majority of our members are small to medium size developers contributing to the creation of small businesses and local employment.

We appreciate and understand the City of San Jose's interest and need in increasing the affordable housing numbers for its residents. Our members are committed in being a part of the solution by creating affordable housing in San Jose. In fact, when approached to support Measure E "Transfer Tax" in 2019, NAIOP Silicon Valley did not oppose the Measure, even though it would be a costly hit to our members. Measure E could raise \$50 million per year towards affordable housing, mostly coming directly from commercial properties.



The United States economy has changed dramatically since March of 2020. With unemployment at record highs, shelter-in-place orders locally and statewide, small businesses closed and tech employees working from home, renegotiations of leases by tenants and commercial real estate has been negatively impacted the most. Providing rent breaks, deferments, and rental discounts to rescue small and medium business has been the norm over the last several months and yet commercial development has not seen any alleviation or assistance from government or banking industries.

San Jose's economy is much more fragile than its neighboring cities in the Bay Area and it still has the lowest jobs per housing ratio than any major city even among Silicon Valley cities. Imposing more fees during a pandemic is placing itself in a competitive disadvantage by causing business and development investment to consider less costly and more profitable options outside of San Jose.

Additionally, NAIOP members deliver new development projects and these projects also provide many new construction jobs. We are concerned that if the linkage fee adoption isn't sensitive to the precarious economic impacts of the pandemic on real estate economics, passing the CLF at too high a rate could also cost the community many of these potential new jobs.

We respectfully request the City Council to reject the report as it is not accurate. It is based on the pre-pandemic economy of 2018-19, not on current realities. Additionally, we request that the City Council direct KMA to study the long-term economic impacts of COVID before considering any CLF.

Should the City Council move forward with accepting the Nexus and Feasibility Study, we respectfully ask that the City Council impose the lowest fees possible for downtown projects and zero fees for outside of downtown for the next two years or until the impact of the COVID-19 is fully understood. We are in the beginning of a recession that may, unfortunately, turn into a depression. We have a golden opportunity to pivot San Jose's economy to embrace more developments for varying sectors thus kick-starting our local economic recovery before it tanks.

NAIOP Silicon Valley strives to be a part of the solution of San Jose's economy and to continue to balance the City's jobs and housing balance. We hope that the City will consider communicating with us prior to making decisions that will impact the commercial industry as a whole.

Should you have any questions, please contact Edesa Bitbadal, Chief Public Policy Strategist for NAIOP Silicon Valley at 408-230-6093 or [edesab5@gmail.com](mailto:edesab5@gmail.com).

Sincerely,



Christina Pacini  
NAIOP Silicon Valley Executive Director



Dick Scott  
NAIOP Silicon Valley Chapter President

**HONORARY COUNCIL**

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**DESTINATION: HOME**

August 31, 2020

Mayor & City Council  
City of San Jose  
200 East Santa Clara Street, 18th Floor  
San Jose, CA 95113

*Re: San Jose Commercial Linkage Fee (Item 8.2 on the 9/1 Agenda)*

Dear Mayor Liccardo and Members of the City Council,

Thank you for your ongoing efforts to enact a Commercial Linkage Fee to help fund desperately-needed affordable housing.

Given the enormous need in our community, it is critical that the Council adopt a robust fee that will generate significant new funding for affordable housing. And we are encouraged to see several proposals – including memos from Mayor Liccardo, Councilmember Jimenez and Councilmember Perez - that go a step further than the staff recommendation and bring us closer to the fee levels outlined in the feasibility study.

As you consider this critical issue, we hope that you will ultimately adopt a Commercial Linkage Fee that:

1. Sets an initial fee level for Downtown Office space that is higher than the \$10 per sq. ft. recommended by City staff; and
2. Incorporates a phased fee schedule (as recommended by Councilmembers Perez and Jimenez) that steps up the fee levels over the next three years. This approach acknowledges the current economic uncertainty created by the pandemic, while providing a clear path towards a more robust fee - and the tens of millions of dollars in additional funding that would otherwise be left on the table.

This pandemic has laid bare the dramatic need for safe, stable and affordable housing in our community. The time is now to lean into this opportunity and adopt a more robust Commercial Linkage Fee structure that will help us meet the affordable housing needs of our residents.

Sincerely,



Jennifer Loving  
CEO

August 28, 2020

Honorable Mayor Sam Liccardo and Members of the City Council  
City of San Jose  
200 East Santa Clara Street, 18th Floor  
San Jose, CA 95113

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers Arenas, Carrasco, Davis, Diep, Carrasco, Esparza, Foley, Khamis, and Peralez,

**Re: 8.2 Council Priority #5: Commercial Linkage Impact Fee**

We write today to voice strong support for a robust Commercial Linkage Fee (CLF) ordinance that balances the significant economic growth occurring in San Jose with the need to plan for and fund a significant number of new affordable homes. Quite simply, when jobs are added, new employees need new homes.

**While we are supportive of the staff recommendation to adopt a fee, we find the recommended fee level to be too low and urge you to adopt fees that reflect the serious need for affordable housing.**

The City's Nexus Study showed the clear linkage between new jobs-generating development and the need for new homes for those workers. The corresponding Feasibility Study showed that fees are indeed feasible and the fee ranges outlined in the feasibility study are in line with other cities in the County that have already adopted this funding source. It is critical that the City is prepared to respond to the increased demand that new jobs will bring and that the fee level be set at the highest feasible level to ensure that needed affordable homes can be funded and built.

While there are many reasons to adopt a CLF fee now, we point out a few here:

1. San Jose is in the midst of significant economic expansion, with over 4 million square feet of new development currently under construction, over 10 million square feet of new development approved and ready to break ground, and 35 million square feet of development in pre-development or under review. City records show that, adjusting for inflation, new construction valuation is up over 250% in the last five years when compared to the first half of the decade. The Office of Economic Development released a report in June that stated that "the development prospect is encouraging" and pointed out that new projects had been submitted in the last six months. And while there have been new commercial vacancies in the region, in San Jose average office rents in the second quarter actually increased. What we know is that all of this development will result in an estimated 130-150,000 new jobs, many of which will not pay wages high enough to afford area market rents.
2. While the pandemic and the resulting economic crisis has been challenging for everyone, it has been particularly hard for the most vulnerable in our community, shining a bright light on the connection between adequate, safe, and affordable housing and community health. Families overcrowd to afford the high price of housing. Thirty percent of the jobs that have been lost are low-wage service jobs, where Black and Latinx



households are over represented, creating housing insecurity for lower-income families and communities of color.

3. The city has identified the need to build 10,000 affordable homes by 2023, but estimates it only has funding to reach about half this goal and these goalposts were set prior to the increased commercial interest in San Jose, particularly its Downtown. We also anticipate that Regional Housing Needs Allocation numbers will be more than 130% higher than past years. The City recognized that new tools were needed to address its affordable challenge when it identified Commercial Linkage Fees as a source, and took the steps to initiate the study.

These are extremely challenging times, full of hardships and uncertainty. We are sensitive to the fact that the pandemic has raised concerns for commercial developers, however, this uncertainty is not as a result of this new fee. Industry analysts agree that our tech-driven region will be the first to bounce back. We must be prepared. We cannot leave lower-wage workers and communities out of the recovery.

All other large cities in the South Bay have adopted CLF ordinances. The time is now for San Jose to join them. The need to study and adopt a CLF ordinance has been discussed for years, and we were heartened when the City Council agreed to move forward to consider this important funding source. While this is a challenging time, the truth is that there really never is a good time.

In times like this we need leadership. The time to act is now.

Gabrielle Antolovich, Board President  
Billy DeFrank LGBTQ+ Community Center

Rose Amador, Chief Executive Officer  
ConXión To Community

Dolores Alvarado, CEO  
Community Health Partnership

William Armaline, Director  
SJSU Human Rights Institute

Milan R. Balinton, Executive Director  
African American Community Service Agency (AACSA) Family Resource Center (FRC)

Carolyn Bookhart, Director of Real Estate Development  
Resources for Community Development

Catherine Bracy, Co-Founder and Executive Director  
TechEquity Collaborative

Amanda Brown-Stevens, Executive Director  
Greenbelt Alliance

Alison Brunner, Chief Executive Officer  
Law Foundation of Silicon Valley

Sheri Burns, OTR, Executive Director  
Silicon Valley Independent Living Center

Gisela B. Bushey, Chief Executive Officer  
Loaves & Fishes Family Kitchen

Salvador "Chava" Bustamante, Executive Director  
Latinos United for a New America (LUNA)

Fred Buzo, Associate State Director  
AARP California

Mary Celestin  
San Jose Strong

Louis Chicoine, Chief Executive Officer  
Abode Services/Allied Housing

Leslye Corsiglia, Executive Director  
SV@Home

Gina D. Dalma, Executive Vice President  
Community Action, Policy and Strategy  
Silicon Valley Community Foundation

Aaron Eckhouse, Bay Area Regional Organizer  
California YIMBY

Steve Eckert, MSW, Chief Executive Officer  
Alum Rock Counseling Center

Deanne Everton, Executive Director  
Rebuilding Together Silicon Valley

Amie Fishman, Executive Director  
Non-Profit Housing Association of Northern California

Matthew O. Franklin, President & Chief Executive Officer  
MidPen Housing Corporation

Poncho Guevara – Executive Director  
Sacred Heart Community Service

Maricela Gutiérrez, Executive Director  
SIREN (Services, Immigrant Rights & Education Network)

Laura Hall, President and CEO  
EAH Housing

Sparky Harlan, Chief Executive Officer

Bill Wilson Center

Cayce Hill, Executive Director  
Veggielution

Janice Jensen, President & Chief Executive Officer  
Habitat for Humanity East Bay/Silicon Valley

Adrienne Keel – Director  
LGBTQ Youth Space

Gregory R. Kepferle, Chief Executive Officer  
Catholic Charities of Santa Clara County

Elisa Koff-Ginsborg, Executive Director  
Behavioral Health Contractors' Association (BHCA)

Sarita Kohli, President & CEO  
AACI

Richard Konda, Executive Director  
Asian Law Alliance

Michele Lew, Chief Executive Officer  
The Health Trust

Andrew Lloyd, President  
BAYMEC

Jennifer Loving, Chief Executive Officer  
DESTINATION: HOME

Maritza Maldonado, Founder and Executive Director  
Amigos de Guadalupe, Center for Justice and Empowerment

Julie Mahowald, Chief Financial Officer and Interim Chief Executive Officer  
Housing Trust Silicon Valley

Linda Mandolini, President  
Eden Housing

Justine Marcus, State and Local Policy Director  
Enterprise Community Partners, Inc.

Derecka Mehrens, Executive Director  
Working Partnerships USA

Dorsey Moore, Executive Director  
San Jose Conservation Corps

Geoffrey Morgan, President and CEO  
First Community Housing

Rev. Jethroe Moore  
San Jose/Silicon Valley NAACP

Sandy Perry  
Affordable Housing Network of Santa Clara

Zachary Schlagel, Senior Director of Public Policy  
PATH/PATH Ventures

James Silverwood, President and CEO  
Affirmed Housing

Jan Stokely, Executive Director  
Housing Choices

Jason Su, Executive Director  
Guadalupe River Park Conservancy

Andrea K. Urton, Chief Executive Officer  
HomeFirst Services of Santa Clara County

Victor Vasquez, Director of Organizing & Policy  
SOMOS Mayfair

Carol M. Watts  
League of Women Voters San Jose/Santa Clara

E. Christopher Wilder, Executive Director  
Valley Medical Center Foundation

Dan Wu, Executive Director  
Charities Housing

Kevin Zwick, Chief Executive Officer  
United Way Bay Area

FW: SJ Spotlight Oped: Black and brown families can't afford another giveaway to developers

City Clerk

Tue 9/1/2020 2:42 PM

To: Agendadesk <[REDACTED]>

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**From:** Jeffrey Buchanan <[REDACTED]>  
**Sent:** Tuesday, September 01, 2020 2:27 PM  
**To:** Jeffrey Buchanan <[REDACTED]>  
**Subject:** SJ Spotlight Oped: Black and brown families can't afford another giveaway to developers

[External Email]

Greetings!

I wanted to share an oped from Chava Bustamante with Latinos United for a New America published in San Jose Spotlight today on the importance of a strong Commercial Linkage Fee being considered tonight by San Jose City Council.

Thanks!  
Jeffrey

<https://sanjosespotlight.com/bustamante-black-and-brown-families-cant-afford-another-giveaway-to-developers/>

# **Bustamante: Black and brown families can't afford another giveaway to developers**

by [Salvadore Bustamante](#)

SEPTEMBER 1, 2020



Salvador Bustamante takes part in a rally in San Jose to demand affordable housing. Photo courtesy of Athena Chow.

Today, the San José City Council faces a choice: Will they create thousands of much-needed affordable homes or will they hand yet another giveaway to corporate developers that write big campaign checks?

Right now, San Jose is the only major city in Santa Clara County that doesn't have a commercial linkage fee — a fee that “links” the construction of new offices and commercial space to the corresponding need for more affordable homes.

When wealthy developers build new office towers and tech campuses, they drive our rents even higher, making it harder for working people to stay here. In fact, research commissioned by the city found that each square foot of new commercial space creates between \$45 and \$176 (depending on the type of building) in need for more affordable housing.

For people like Rosa Cordova, those rent hikes could mean being pushed out of San Jose. Cordova is a 16-year resident of San Jose, a mother of four and a community leader with the McLaughlin Tenants Association and Latinos United for a New America.

Even before the COVID-19 pandemic, making rent meant working 12- to 14- hour days, 7 days a week. With almost 30 million square feet of new high-end office projects being planned (more than all the planned project across the rest of Silicon Valley combined) aiming to lure tech companies to San Jose, Cordova says she is worried her family may not be able to afford to keep living in her neighborhood for much longer.

Cordova is far from alone. One in three Black and Latinx families in San Jose hand over more than half their income to their landlord each month. These are also the families most at risk from

COVID-19, most likely to have lost jobs, to be at risk of eviction, to work in low-wage essential jobs and to live in overcrowded housing.

Now, the City Council has the chance to enact a strong commercial linkage fee that could be San Jose's largest source of affordable housing funding, enough to build nearly 7,000 homes in the coming years. This fee is a chance to prevent mass displacement of Black and brown families and the loss of our culture and neighborhoods.

Yet instead of standing with families like Cordova's, Mayor Sam Liccardo and his allies on the council proposed a lowball commercial linkage fee of \$5 to \$12 per square foot, even though the city's own study says developers can afford to pay \$25 to \$42. It may not sound like a lot, but the difference could pay for nearly 4,500 affordable homes.

Why does the mayor seem to think it's more important to pad the profits of billionaire developers that have continued to move forward with mega projects regardless of the pandemic?

In the months since shelter in place, office rents have actually gone up in San Jose. Developers have continued to propose new office projects, to begin construction on new office towers and buy nearly \$1 billion in land for future projects — declaring the strength of San Jose's office market in their words and deeds.

So why such a low fee proposal? Turns out the backers of this lowball fee — Liccardo, Vice Mayor Chappie Jones and councilmembers Dev Davis, Lan Diep, and Pam Foley — have received more than \$150,000 in campaign donations from the 10 speculative office developers with the most proposed square footage (either as direct donations or contributions to political committees working on their behalf since 2017).

Companies like Boston Properties, Urban Catalyst, KT Urban and Federal Realty stand to save millions of dollars from these lowball fees compared to what the city's own consultants recommended in a city commissioned study.

At a time when our city is engaged in a critical conversation on how it lives out its commitments to racial equity, as communities of color continue to suffer from the pandemic and when so many are proclaiming Black and brown lives matter, should not the stability of Black and brown

families who rent matter more to our elected officials than the profits of billionaire developers and corporate campaign donors?

If we want to be a city that welcomes and protects all of our residents regardless of race or ethnicity, if we want to prevent the displacement of families and of cultures, if we want to stand up for essential workers, we need a strong commercial linkage fee that ensures major office projects pay \$20 to \$42 per square foot.

Now is the time to take a stand together to stabilize Black and brown families and to build a more inclusive future where all of us have a safe, affordable place to call home.

*Salvador Bustamante is the executive director of Latinos United for a New America (LUNA).*

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# Fw: Comments for Agenda Item 8.2 - commercial linkage fee

City Clerk

Tue 9/1/2020 7:58 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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**From:** Huy Tran <[REDACTED]>

**Sent:** Tuesday, September 1, 2020 2:34 AM

**To:** The Office of Mayor Sam Liccardo <[REDACTED]>

District1

<[REDACTED]>

District2 <[REDACTED]>

District3 <[REDACTED]>

District4

<[REDACTED]>

District5 <[REDACTED]>

District 6 <[REDACTED]>

District7

<[REDACTED]>

District8 <[REDACTED]>

District9 <[REDACTED]>

District 10

<[REDACTED]>

City Clerk <[REDACTED]>

**Subject:** Comments for Agenda Item 8.2 - commercial linkage fee

[External Email]

Esteemed Mayor, Members of the Council, and staff,

I write today to support the enactment of the Commercial Linkage Fee (CLF). I reach out to you today to support CLF not just in abstract terms, but in real genuine need and with an eye towards our history. The bluntness with which I write is necessary because we are facing the same problem that we have for years, and yet the same misguided belief in trickle-down economics that led this Council to reject CLF recommendations from the Civil Grand Jury in 2018 still guides this Council today. However, instead of offering no CLF at all, the proposals that have come forth represent a pittance of value for what is truly needed to address affordable housing.

The Nexus Study commissioned by this Council reported back that a maximum fee that could be implemented on non-residential developments ranging between \$44.60 per square foot for residential care facilities to \$176.70 per square foot for retail developments. These are certainly high numbers, and they reflect the dire situation that our City is in. Further exacerbating our situation is the fact that we are in a pandemic that has hurt our economy.

That said, everything that our economy is experiencing is felt multiple times over by the most vulnerable residents of our city. Developers complain of high cost when this Council has already dramatically cut the fees that they have to pay when they build high-density housing. On top of this, this Council cut down on their requirements to build affordable housing into their projects. The fees required by the Inclusionary Housing Ordinance have practically been wiped out. And this was all *before* the pandemic happened.

So now that we face the single worst disaster in our lifetimes, this Council is asked to enact CLF to generate more revenue dedicated towards affordable housing. With the study that this Council has in hand stating clearly what is needed to mitigate the housing needs that will be exacerbated by additional commercial development and growth, every memo posted so far has only offered a tiny fraction of the amount that

is truly needed. The only difference between now and 2018 is that instead of a flat rejection of CLF, this Council is considering token support. The worst proposal exempts entire sectors for years, while the best still assess only a minor fee across the board.

I recognize that we are in a pandemic, and that has to be taken into account. Fee rates do not have to be at the maximum rate, even if that would be ideal. However, they should be higher than what is being proposed now. The Council fears that developers will scare easy. The truth though is that in any scenario, high-rise developers will be there, and they will be just fine. The families who are suffering the most now have already been in a tight spot. They have not been excused from rent, and are amassing great debt. Tens of thousands of families are at high risk of losing their homes when the moratorium is lifted. Sadly, for those who are evicted, they will have little to no recourse to finding housing here in San Jose.

But hey, when those cranes get up in the sky, they'll have something to look up to.

Huy Tran

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# Fw: 8.2 Council Priority #5: Commercial Linkage Impact Fee

City Clerk

Tue 9/1/2020 7:59 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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**From:** Mathew Reed <[REDACTED]>  
**Sent:** Monday, August 31, 2020 10:48 PM  
**To:** Jimenez, Sergio <[REDACTED]> Peralez, Raul <[REDACTED]> Diep, Lan <[REDACTED]>  
<[REDACTED]> Carrasco, Magdalena <[REDACTED]> Davis, Dev <[REDACTED]>  
<[REDACTED]> Arenas, Sylvia <[REDACTED]> Khamis, Johnny <[REDACTED]>  
<[REDACTED]> Foley, Pam <[REDACTED]> Esparza, Maya <[REDACTED]>  
Liccardo, Sam <[REDACTED]> Jones, Chappie <[REDACTED]>  
**Cc:** Hughes, Scott <scott.[REDACTED]> Ramos, Christina M <christina.[REDACTED]> District4 <[REDACTED]>  
<[REDACTED]> Herbert, Frances <[REDACTED]> Groen, Mary Anne <[REDACTED]>  
<[REDACTED]> McGarrity, Patrick <[REDACTED]> Connolly, Shane Patrick <[REDACTED]>  
<[REDACTED]> Ho, Nathan <[REDACTED]> Kline, Kelly <[REDACTED]> The <[REDACTED]>  
Office of Mayor Sam Liccardo <[REDACTED]> Hughey, Rosalynn <[REDACTED]>  
<[REDACTED]> Morales-Ferrand, Jacky <[REDACTED]> Leslye Corsiglia <[REDACTED]>  
<[REDACTED]> VanderVeen, Rachel <[REDACTED]> Hamilton, Peter <[REDACTED]>  
<[REDACTED]> Burton, Chris <[REDACTED]> Alvarez, Karina <[REDACTED]>  
<[REDACTED]> Walesh, Kim <[REDACTED]> Klein, Nanci <[REDACTED]>  
City Clerk <[REDACTED]>  
**Subject:** Re: 8.2 Council Priority #5: Commercial Linkage Impact Fee

[External Email]

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers Arenas, Carrasco, Davis, Diep, Carrasco, Esparza, Foley, Khamis, and Peralez,

### Re: 8.2 Council Priority #5: Commercial Linkage Impact Fee

We are grateful to you for taking on this important issue at this most important time. If there is one thing the pandemic has made clear it is the connection between safe and affordable housing and community health and stability. It is critical that we ensure that residents of all incomes can afford to live here, and that as jobs are added that there are homes where those new jobs can live.

Several proposals have been made in response to the staff recommendations. We respectfully ask that, in considering all of the recommendations you:

1. **Approve the highest feasible fee** given current economic realities. Over 50 organizations have come together to request that the Council recognize the importance of affordable housing as we add new jobs and provide for the funding needed to offset their impact.

2. In light of the current economic uncertainty, staff should **revisit the fees and conduct a new feasibility study in year three** to determine whether adjustments need to be made in response to the recovery.

3. **Require that the fees be paid no later than at the issuance of the Certificate of Occupancy.** At the developer's discretion, the fee could be paid at the time building permits are issued, which would lock in fees and create more certainty. Recommendations that the fee be paid at the time of occupancy create uncertainty and complication for staff implementation. The reality is that builders will incorporate this fee, as they do with all fees, into their development budget and their approved financing, so there is no reason to delay payment.

Thank you for this opportunity to comment.



*Act with us. [Become a member](#) today and join us in making home a reality for all.*

For all COVID-19 related housing updates & resources [click here](#)

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# Fw: Please represent me by supporting a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 7:59 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor  
San Jose, CA 95113  
Main: 408-535-1260  
Fax: 408-292-6207

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---

**From:** Miriam Martin <[REDACTED]>  
**Sent:** Monday, August 31, 2020 10:08 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Please represent me by supporting a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Magdalena Carrasco,

I voted for you and want you to represent me in this.

As a constituent of District 5, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know

wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Thank you for your consideration.

Sincerely,

Miriam Martin

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# FW: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 9:39 AM

To: Agendadesk <[REDACTED]>

Hello,

Is this for Agenda Desk??

-----Original Message-----

From: Eileen Lee <[REDACTED]>

Sent: Tuesday, September 01, 2020 9:35 AM

To: The Office of Mayor Sam Liccardo <[REDACTED]>

Subject: Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Dev Davis,

As a constituent of District 6, I am writing to urge you to support a strong commercial linkage fee to meet our community's need for affordable housing.

I both work with families in the Washington Guadalupe neighborhood and have seen first hand families of color forced to live in their cars with their children after struggling to pay rent every month. In fact, I've been helping a family with 3 young children for the last 5 months find an apartment with no leads. The mother works 2 jobs and still does not meet the minimum income requirement. These families need your help and support.

The proposed \$10 per square foot is half of the low end of what developers can afford (\$20-42 per sq foot). I am saddened and angered by this proposal. Please support a strong commercial linkage fee and use it to fund as many affordable homes as possible.

Sincerely,

Eileen Lee

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:15 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor  
San Jose, CA 95113  
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**From:** Shawnte Michael <[REDACTED]>  
**Sent:** Friday, August 28, 2020 3:18 PM  
**To:** District1 <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Vice Mayor Charles "Chappie" Jones,

As a constituent of District 1, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.



Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Shawnte Michael

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:16 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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---

**From:** Lydia Bustamante <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:26 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Liccardo,

I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support The People's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Lydia Bustamante

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:16 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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**From:** Elizabeth Finney <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:25 PM  
**To:** The Office of Mayor Sam Liccardo <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Raul Peralez,

As someone who lives in District 3, I am writing to demand that you to support a strong commercial linkage fee to meet our community's extremely dire need for affordable housing.

All of San Jose's working families and communities of color need your immediate support. Wealthy real estate developers are planning 30 million square feet of high rise, fancy tech office towers and campuses across San Jose, all of which will lead to rising housing costs for renters unless you act right now.

These developments could create an immense need for more than 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee is an insult; \$5-\$10 doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a ridiculously low fee, which would cost us nearly 5,000 desperately-needed affordable homes, when we know all these wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much, much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee! It's time we consider

our most vulnerable communities as we expand our city. We can't leave our low-income friends and families behind.

Sincerely,

Elizabeth Finney

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:16 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

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---

**From:** Jose Fregoso <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:25 PM  
**To:** District 10 <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Johnny Khamis,

As a constituent of District 10 and Program Manager for a Homeless Prevention at a local nonprofit. I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing. We really need to start moving our city forward and bring change to those whose voices go unheard.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Jose Fregoso

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:17 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

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**From:** Estefania Bautista <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:24 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Raul Peralez,

As a constituent of District 3, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!



Sincerely,

Estefania Bautista

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:17 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

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---

**From:** Dora Delfin <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:24 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Liccardo,

I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Thank you,  
Dora D.

Sincerely,

Dora Delfin

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:17 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

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**From:** Jose Salazar Mendoza <[REDACTED]>

**Sent:** Friday, August 28, 2020 2:23 PM

**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>

**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Liccardo,

I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Jose Salazar Mendoza

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:17 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

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---

**From:** Kristen Constanza <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:23 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Raul Peralez,

As a constituent of District 3, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Kristen Constanza

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:18 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

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---

**From:** Rubi Canela <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:23 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Magdalena Carrasco,

As a constituent of District 5, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!



Sincerely,

Rubi Canela

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:18 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

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---

**From:** Roberto Gil <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:23 PM  
**To:** The Office of Mayor Sam Liccardo <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Pam Foley,

As a constituent of District 9, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Roberto Gil

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:19 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

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Fax: 408-292-6207

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---

**From:** Jacqueline Ramos <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:22 PM  
**To:** District5 <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Magdalena Carrasco,

As a constituent of District 5, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Jacqueline Ramos

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:19 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

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---

**From:** Pauline Bayati <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:22 PM  
**To:** The Office of Mayor Sam Liccardo <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Liccardo,

I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Pauline Bayati

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:19 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

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Fax: 408-292-6207

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---

**From:** Fernando Fernandez <[REDACTED]>

**Sent:** Friday, August 28, 2020 2:22 PM

**To:** The Office of Mayor Sam Liccardo <[REDACTED]>

**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Vice Mayor Charles "Chappie" Jones,

As a constituent of District 1, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!



Sincerely,

Fernando Fernandez

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:19 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

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San Jose, CA 95113

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---

**From:** Omar Leal <[REDACTED]>

**Sent:** Friday, August 28, 2020 2:21 PM

**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>

**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Maya Esparza,

As a constituent of District 7, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Omar Leal

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:19 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

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---

**From:** Monica Delfin <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:21 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Liccardo,

I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Thank you,  
Monica Delfin

Sincerely,

Monica Delfin

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:20 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

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---

**From:** Marita Zavaleta <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:21 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Pam Foley,

As a constituent of District 9, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Marita Zavaleta

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:20 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

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---

**From:** Annette Pizzo <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:21 PM  
**To:** District9 <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Pam Foley,

As a constituent of District 9, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!



Sincerely,

Annette Pizzo

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:20 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

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**From:** Laura Alvarez-Santos <[REDACTED]>  
**Sent:** Friday, August 28, 2020 2:20 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Liccardo,

I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Laura Alvarez-Santos

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:23 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

How is our service? [Please take our short survey.](#)

---

**From:** Araceli V <[REDACTED]>  
**Sent:** Thursday, August 27, 2020 9:28 PM  
**To:** District8 <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Sylvia Arenas,

As a constituent of District 8, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing. I've lived in San Jose practically my whole life and want to buy a home & have a family in our beautiful San Jose, however thanks to big tech moving in as well as the rising costs of living in the Bay Area I will be priced out of buying a home in my city. Meanwhile we're offering up San Jose land at 10 p/sq ft. You can't even buy a house in the Bay Area with that square footage. Why do you think it's ok to offer this up to HUGE real estate developers? And continue to let down your communities who are getting displaced?!

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices. Nor does it address the need to count TOTAL square footage including the amount of FLOORS in these buildings.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees. Why does San Jose leadership continue to allow for the short sale of our highly desired land and ignore the plight of our communities?!

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Araceli V

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:24 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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---

**From:** Megan Nguyen <[REDACTED]>  
**Sent:** Thursday, August 27, 2020 8:45 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Lan Diep,

As a concerned citizen of District 4, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Megan Nguyen

Sincerely,

Megan Nguyen

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:24 AM

To: Agendadesk <[REDACTED]>

**Office of the City Clerk | City of San José**

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

How is our service? [Please take our short survey.](#)

---

**From:** Lynette Mendoza <[REDACTED]>  
**Sent:** Thursday, August 27, 2020 8:45 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Lan Diep,

As a constituent of District 4, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!



All people deserve a place to live regardless of income.

Sincerely,

Lynette Mendoza

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:24 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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---

**From:** Tuấn Đình <[REDACTED]>  
**Sent:** Thursday, August 27, 2020 7:25 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Raul Peralez,

As a constituent of District 3, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Tuấn Đình

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:25 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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---

**From:** Susan Price <[REDACTED]>  
**Sent:** Thursday, August 27, 2020 5:34 PM  
**To:** District 6 <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Dev Davis,

San Jose needs more affordable housing AND San Jose needs a source of funds to help pay for this housing. The logical source of funds is a fee on new commercial construction which is creating the work spaces attracting more workers to San Jose. They may not live in affordable house, but by creating more demand for housing, we need to create housing for those who do not earn big bucks but whose labor we all depend on - teachers, nurses, child care workers, baristas....

As a constituent of District 6, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

Surrounding cities have a Commercial Linkage Fee, why not San Jose. And our Linkage fee should not be any less than that of neighboring cities!!!

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Susan Price

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 10:25 AM

To: Agendadesk <[REDACTED]>

## Office of the City Clerk | City of San José

200 E. Santa Clara St., Tower 14<sup>th</sup> Floor

San Jose, CA 95113

Main: 408-535-1260

Fax: 408-292-6207

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---

**From:** Lita Kurth <[REDACTED]>  
**Sent:** Thursday, August 27, 2020 5:13 PM  
**To:** District 6 <[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Dev Davis,

As a constituent of District 6, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Lita Kurth

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

# FW: San Jose Commercial Linkage Fee (Item 8.2)

City Clerk

Tue 9/1/2020 10:32 AM

To: Agendadesk <[REDACTED]>

---

**From:** Marci Gerston <[REDACTED]>  
**Sent:** Tuesday, September 01, 2020 10:10 AM  
**To:** City Clerk <[REDACTED]> The Office of Mayor Sam Liccardo  
<[REDACTED]> District1 <[REDACTED]> District2 <[REDACTED]>  
District3 <[REDACTED]> District4 <[REDACTED]> District5 <[REDACTED]> District 6  
<[REDACTED]> District7 <[REDACTED]> District8 <[REDACTED]> District9  
<[REDACTED]> District 10 <[REDACTED]> act[REDACTED]  
**Subject:** San Jose Commercial Linkage Fee (Item 8.2)

[External Email]

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers,

A commercial linkage fee will be critical to providing the funding we need to solve our affordable housing and homelessness crisis - and San Jose must seize this opportunity to enact a robust fee.

Unfortunately, the City staff has recommended a fee that is much too low. Not only is it significantly lower than most of our neighboring cities, it will also only cover a fraction of the additional demand for affordable housing created by these new developments.

I urge you to adopt a significantly higher fee that is commensurate with the fee levels that were outlined in the City's feasibility study.

Far too many of our neighbors are struggling to find safe, stable and affordable housing in our community. We must adopt a robust Commercial Linkage Fee that will help us meet the affordable housing needs of our residents. The time to act is now.

Thank you!

[REDACTED]

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# FW: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 11:02 AM

To: Agendadesk <[REDACTED]>

-----Original Message-----

From: Amy Brown <[REDACTED]>

Sent: Tuesday, September 01, 2020 10:57 AM

To: Mayor Sam Liccardo <jeff+[REDACTED]>

Subject: Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Raul Peralez,

You know we can't keep our regular citizens safe and housed with this absolutely anemic linkage fee you are suggesting! But by all means, give those poor, mistreated developers a break. You see the results of income inequality and shoestring services every single day, every single block of this city. If you can't do something drastic for your most vulnerable, why do it for a company?

As a constituent of District 3, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Amy Brown

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# FW: San Jose Commercial Linkage Fee (Item 8.2)

City Clerk

Tue 9/1/2020 11:02 AM

To: Agendadesk <[REDACTED]>

---

**From:** Kevin Zwick <[REDACTED]>  
**Sent:** Tuesday, September 01, 2020 10:33 AM  
**To:** City Clerk <[REDACTED]> The Office of Mayor Sam Liccardo  
<[REDACTED]> District1 <[REDACTED]> District2 <[REDACTED]>  
District3 <[REDACTED]> District4 <[REDACTED]> District5 <[REDACTED]> District 6  
<[REDACTED]> District7 <[REDACTED]> District8 <[REDACTED]> District9  
<[REDACTED]> District 10 <[REDACTED]> act [REDACTED]  
**Subject:** San Jose Commercial Linkage Fee (Item 8.2)

[External Email]

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers,

A commercial linkage fee will be critical to providing the funding we need to solve our affordable housing and homelessness crisis - and San Jose must seize this opportunity to enact a robust fee.

Unfortunately, the City staff has recommended a fee that is much too low. Not only is it significantly lower than most of our neighboring cities, it will also only cover a fraction of the additional demand for affordable housing created by these new developments.

I urge you to adopt a significantly higher fee that is commensurate with the fee levels that were outlined in the City's feasibility study.

Far too many of our neighbors are struggling to find safe, stable and affordable housing in our community. We must adopt a robust Commercial Linkage Fee that will help us meet the affordable housing needs of our residents. The time to act is now.

Thank you!

**Kevin Zwick** (He/Him/His)

Chief Executive Officer

**United Way Bay Area** | [uwba.org](http://uwba.org)

415.808.4346

550 Kearny Street, Suite 1000

San Francisco, CA 94108

**Give. Advocate. Volunteer.**

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# FW: San Jose Commercial Linkage Fee (Item 8.2)

City Clerk

Tue 9/1/2020 12:00 PM

To: Agendadesk <[REDACTED]>

---

**From:** Jo Seavey-Hultquist <[REDACTED]>  
**Sent:** Tuesday, September 01, 2020 11:56 AM  
**To:** City Clerk <[REDACTED]> The Office of Mayor Sam Liccardo  
<[REDACTED]> District1 <[REDACTED]> District2 <[REDACTED]>  
District3 <[REDACTED]> District4 <[REDACTED]> District5 <[REDACTED]> District 6  
<[REDACTED]> District7 <[REDACTED]> District8 <[REDACTED]> District9  
<[REDACTED]> District 10 <[REDACTED]> act[REDACTED]  
**Subject:** San Jose Commercial Linkage Fee (Item 8.2)

[External Email]

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers,

A commercial linkage fee will be critical to providing the funding we need to solve our affordable housing and homelessness crisis - and San Jose must seize this opportunity to enact a robust fee.

Unfortunately, the City staff has recommended a fee that is much too low. Not only is it significantly lower than most of our neighboring cities, it will also only cover a fraction of the additional demand for affordable housing created by these new developments.

I urge you to adopt a significantly higher fee that is commensurate with the fee levels that were outlined in the City's feasibility study.

Far too many of our neighbors are struggling to find safe, stable and affordable housing in our community. We must adopt a robust Commercial Linkage Fee that will help us meet the affordable housing needs of our residents. The time to act is now.

Thank you!

Joanne Seavey-Hultquist

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# FW: Support a strong Commercial Linkage Fee

City Clerk

Tue 9/1/2020 2:28 PM

To: Agendadesk <[REDACTED]>

-----Original Message-----

From: Mayra Pelagio <[REDACTED]>

Sent: Tuesday, September 01, 2020 1:52 PM

To: Mayor Sam Liccardo <jeff+[REDACTED]>

Subject: Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Magdalena Carrasco,

As a constituent of District 5, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Mayra Pelagio

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# FW: Support a strong Commercial Linkage Fee

City Clerk

Wed 9/2/2020 8:31 AM

To: Agendadesk <[REDACTED]>

;-)

-----Original Message-----

From: Monique Sanchez Munoz [mailto:[REDACTED]]

Sent: Tuesday, September 1, 2020 9:10 PM

To: District2 <[REDACTED]>

Subject: Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Sergio Jimenez,

As a constituent of District 2, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Monique Sanchez Munoz

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# Fw: Support a strong Commercial Linkage Fee

City Clerk

Thu 9/3/2020 7:48 AM

To: Agendadesk <[REDACTED]>

---

**From:** Monique Sanchez Munoz <[REDACTED]>  
**Sent:** Tuesday, September 1, 2020 9:09 PM  
**To:** Mayor Sam Liccardo <jeff+contact@[REDACTED]>  
**Subject:** Support a strong Commercial Linkage Fee

[External Email]

Dear Mayor Sam Liccardo and Councilmember Sergio Jimenez,

As a constituent of District 2, I am writing to urge you to support a strong commercial linkage fee to meet our community's dire need for affordable housing.

San Jose's working families and communities of color need your support. Wealthy developers are planning 30 million square feet of high rise office towers and tech campuses across San Jose, all of which will lead to rising housing costs for renters unless we act now.

These developments could create a need for over 20,000 new affordable homes in San Jose, as much as \$150 of need per square foot of office space. But the City's recently proposed fee (between just \$5-\$10) doesn't come close to addressing the needs created by these high tech offices.

How can we justify such a lowball fee, costing us nearly 5,000 desperately-needed affordable homes, when we know wealthy developers and tech companies can afford much more? Especially when neighboring cities continue to charge much higher fees.

Please support Silicon Valley Rising's recommendations for a strong Commercial Linkage Fee!

Sincerely,

Monique Sanchez Munoz

# Fw: San Jose Commercial Linkage Fee (Item 8.2)

City Clerk

Thu 9/3/2020 7:47 AM

To: Agendadesk <[REDACTED]>

---

**From:** Nelle Gaytan <[REDACTED]>  
**Sent:** Wednesday, September 2, 2020 6:54 PM  
**To:** City Clerk <[REDACTED]> The Office of Mayor Sam Liccardo  
<[REDACTED]> District1 <[REDACTED]> District2 <[REDACTED]>  
District3 <[REDACTED]> District4 <[REDACTED]> District5 <[REDACTED]> District 6  
<[REDACTED]> District7 <[REDACTED]> District8 <[REDACTED]> District9  
<[REDACTED]> District 10 <[REDACTED]> act <[REDACTED]> <act <[REDACTED]>  
**Subject:** San Jose Commercial Linkage Fee (Item 8.2)

[External Email]

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers,

A commercial linkage fee will be critical to providing the funding we need to solve our affordable housing and homelessness crisis - and San Jose must seize this opportunity to enact a robust fee.

Unfortunately, the City staff has recommended a fee that is much too low. Not only is it significantly lower than most of our neighboring cities, it will also only cover a fraction of the additional demand for affordable housing created by these new developments.

I urge you to adopt a significantly higher fee that is commensurate with the fee levels that were outlined in the City's feasibility study.

Far too many of our neighbors are struggling to find safe, stable and affordable housing in our community. We must adopt a robust Commercial Linkage Fee that will help us meet the affordable housing needs of our residents. The time to act is now.

Thank you!

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