



1/26/2026

Chair Lawson-Remer
Members of San Diego County Board of Supervisors
1600 Pacific Highway
San Diego, CA 92101

RE: ITEM18 - FIGHTING THE RISING COST OF LIVING BY OPPOSING NEW TAXES

Dear Chair Lawson-Remer and Members of the Board of Supervisors:

On behalf of a unified business coalition, we write in support of the item before you today. Our organizations represent thousands of employers and tens of thousands of jobs across San Diego County. Given the record-high property tax revenues collected in the past year, the County

should evaluate how existing resources are being utilized before advocating for legislation that broaden its authority to levy additional taxes.

Our coalition is united in the belief that property transfer taxes and payroll taxes would impose disproportionate burdens on economic activity, job creation, and the housing sector. Any tax proposals should be carefully evaluated to ensure they aligns with the long-term needs of San Diego's residents while preserving a healthy, competitive business environment.

We support this item because it appropriately prioritizes a comprehensive evaluation of government efficiencies and service delivery before advancing these new revenue proposals. The focus on innovation, consolidation, and performance improvements reflects a responsible approach to fiscal planning and helps ensure existing revenues are being managed effectively and transparently.

Opposition to a Documentary Transfer Tax

We strongly oppose any proposal to pursue a documentary transfer tax (aka property transfer tax), including changes to the allowed tax rate through state legislation. Experience from other jurisdictions, most notably the implementation of Measure ULA in the City of Los Angeles, demonstrates the significant and unintended consequences of this approach. Measure ULA has led to a sharp decline in real estate transactions, stalled investment, reduced housing production, and increased market volatility. Ultimately it has generated significantly less revenue than projected while exacerbating affordability challenges.

A documentary transfer tax disproportionately impacts housing providers, commercial property owners, and the construction and development pipeline. It increases transaction costs, discourages property sales and reinvestment, and directly conflicts with the County's housing and economic development goals. By suppressing transactions, a transfer tax can also reduce property tax growth over time, undermining long-term fiscal stability rather than strengthening it.

Opposition to Payroll Tax

Our coalition also strongly opposes creating the authority to implement a local or regional income tax. An income tax would directly penalize work, entrepreneurship, and job creation, particularly impacting small businesses, pass-through entities, and highly mobile workers. At a time when skilled workers continue to have greater flexibility in where they live and work, such a tax would undermine San Diego County's economic competitiveness, discourage workforce retention, and create long-term risks to economic growth.

For these reasons, we urge the Board to advance Item 18 and reaffirm its commitment to fiscal responsibility, economic competitiveness, and affordability for San Diego County residents. We appreciate your leadership and consideration of the business community's perspective as you work to address the rising cost of living without imposing new or harmful taxes.

Sincerely,

Shandon Harbour, **Associated Builders and Contractors of San Diego County**

Aimee Faucet, **Building Industry Association of San Diego County**

Stacy Kurko, **San Diego Building Owners and Managers Association**

Melanie Woods, **California Apartment Association**

Chris Duggan, **California Restaurant Association - San Diego Chapter**

Craig Benedetto, **NAIOP San Diego, the Commercial Real Estate Association**

Chris Anderson, **San Diego Association of Realtors**

Fred Tayco, **San Diego County Lodging Association**

Sharon Cloward, **San Diego Working Waterfront**

Chris Cate, **San Diego Regional Chamber of Commerce**

Molly Kirkland, **Southern California Rental Housing Association**