

Palm Springs: Commercial Linkage Fee and Inclusionary Housing Program Study

In support of Palm Springs' overall goal to plan for and ensure more housing for all segments of our community, and specifically, to respond to our 6th Cycle Housing Element commitments, the City retained Economic & Planning Systems (EPS) to help study the feasibility of two new programs: 1) a commercial linkage fee program, and 2) an inclusionary housing program.

Commercial Linkage Fee Program

A commercial linkage fee, also known as a jobs-housing linkage fee, is a type of impact fee that is charged to developers of new real estate properties—specifically, commercial and industrial properties—to help support affordable housing in the City.

[Commercial Linkage Fee Program FAQ](#)

Inclusionary Housing Program

Inclusionary housing programs require that new market-rate development projects include a certain percentage of housing units at rents or sale prices that are affordable to lower-income households. Inclusionary housing is often one of several tools cities use to achieve more affordable housing and may be referred to as inclusionary zoning because such policies are implemented through the zoning code.

[Inclusionary Housing Program FAQ](#)

Anticipated Study Timeline

EPS is currently conducting market research and an economic feasibility study to provide the data and analysis needed to understand the impact of a commercial linkage fee and an inclusionary housing program on future development. Once the results of the economic feasibility study are understood, the consultants will prepare a report and draft recommendations for the City's consideration. If the studies indicate that the programs appear feasible, it is anticipated that the draft program frameworks will be presented in Spring 2023.

Opportunities to Provide Input

There will be several opportunities to ask questions and provide input, including a community survey and a virtual town hall event, both of which are planned for Spring 2023. Meanwhile, you may reach out with questions at any point – see contact information below.

About EPS

Founded in 1983, EPS is a land use economics consulting firm of approximately 50 professionals across offices in Los Angeles, Oakland, Sacramento, and Denver. EPS's practice is at the forefront of evolving affordable housing policy. The firm has developed a robust technical and analytical framework for evaluating the demands for affordable housing, and their broader practice in housing and residential real estate development allows them to ensure that inclusionary housing policies are effectively integrated with other financing mechanisms and resources. To learn more about EPS, visit their website: www.epsys.com.

Questions or Comments?

Please contact Flinn Fagg, Deputy City Manager, at flinn.fagg@palmspringsca.gov, or our consultant contact, Ashleigh Kanat of Economic & Planning Systems, at akanat@epsys.com.