

# 600D

(R-2018-641) 7/16/18  
COR. COPY

RESOLUTION NUMBER R- 311879

DATE OF FINAL PASSAGE JUL 23 2018

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
SAN DIEGO APPROVING THE ESTABLISHMENT OF AN  
AFFORDABLE HOUSING IMPACT FEE RELATED TO  
SHORT TERM RESIDENTIAL OCCUPANCY.

WHEREAS, short term residential occupancy (STRO) and the associated visitor spending creates jobs, some of which are low paying, and therefore creates a need for affordable housing, the City desires to require the payment of a nightly Affordable Housing Impact Fee for STRO to assist with the creation of affordable housing; and

WHEREAS, the Housing Element of the City of San Diego's General Plan contains specific policies and goals for increasing housing opportunities for households at various income levels, such as the use of fees to promote affordable housing, the need to provide workforce housing, and the availability of the Affordable Housing Fund (of which the Affordable Housing Impact Fee on STRO's will form a part) to pursue the City's housing goals; and

WHEREAS, Ordinance No. O- 20978, which is considered along with this resolution, establishes regulations and an effective enforcement program for STRO; and

WHEREAS, according to a June 2018 Short Term Rental Nexus Study from Keyser Marston Associates, a legal nexus exists between STRO and visitor spending and the need for affordable units for the lower paying jobs (such as house cleaners, maintenance persons, gardeners, hosts or hostesses, cashiers, dishwashers) generated by STRO and associated visitor spending; and

WHEREAS, the June 2018 Short Term Rental Nexus Study demonstrates that there is a reasonable relationship between the proposed fee and the impacts caused by the STRO subject to the fee; and

WHEREAS, the June 2018 Short Term Rental Nexus Study demonstrates, by facts and analysis, that the nexus methodology revolves around the concept that spending generates jobs: portion of these jobs pay low wages, and therefore create the need for affordable housing for these low-income wage earners; and

WHEREAS, the City Council finds that the fee established by this ordinance are not being established to ameliorate the existing shortage of affordable housing but only the housing needs of the people in jobs created by new STRO; and

WHEREAS, the fees for STRO are supported by the June 2018 Short Term Rental Nexus Study and are being recommended at a rate of \$2.73 per night for home share, and \$3.96 per nights for whole home; and

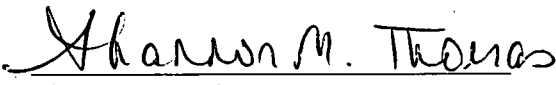
WHEREAS, the City Council finds that the fee, on per night basis, is being set in a way so that the fee is roughly proportional to, but less than, the public burden caused by the need for affordable housing needs generated by STRO and related visitor spending and is necessary to allow for the creation and provision of housing for the low, very low, and extremely low-income households that work within the STRO units and related visitor spending industries; and

WHEREAS, the City Council finds that fee is, in aggregate, only a small portion of the total revenue needed to acquire, create, or otherwise provide housing for these low, very low, and extremely low households (which new housing does not currently exist), because these fees will need to be leveraged with the Housing Impact Fees and other revenue sources; NOW,  
THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the  
aforementioned statements, along with the record from the public hearings of July 16, 2018,  
considered either individually or collectively, form a basis upon which the City Council adopts  
the Affordable Housing Impact Fee of \$2.73 per night per home share STRO and \$3.96 per night  
per whole home STRO.

BE IT FURTHER RESOLVED, that the requirement for proposed fees to be reviewed by  
the Budget and Finance Committee (now the Budget and Government Efficiency Committee) as  
set forth in Council Policy 100-05, User Fee Policy, is waived.

APPROVED: MARA W. ELLIOTT, City Attorney

By   
Shannon M. Thomas  
Deputy City Attorney

SMT:als  
06/26/2018  
07/16/2018 Cor. Copy  
Or.Dept:Planning  
Doc. No.: 1775025\_2

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 16 2018.

ELIZABETH S. MALAND  
City Clerk

By Linda Irwin  
Deputy City Clerk

Approved: 7/23/18  
(date)

Kevin L. Faulconer  
KEVIN L. FAULCONER, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JUL 16 2018, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUL 23 2018

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER  
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND  
City Clerk of The City of San Diego, California.

(Seal)

By *Genda Brown*, Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- <u>311879</u>