RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY ALLOCATING $150,000 IN TRANSIENT OCCUPANCY TAXES COLLECTED PURSUANT TO SHORT-TERM RENTAL USES TO ESTABLISH A COVID-19 EMERGENCY RENTAL ASSISTANCE FUND

WHEREAS, on March 11, 2020, the World Health Organization declared the coronavirus outbreak a pandemic; and

WHEREAS, on March 12, 2020, the City of Redwood City declared an emergency due to the impacts of COVID-19; and

WHEREAS, on March 16, 2020, the public health officers of Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara counties announced, with the City of Berkeley, a legal order directing their respective residents to shelter at home and limited activity, travel and business functions to only the most essential needs for three weeks from March 17 to April 7, 2020 (referred to hereinafter as the Shelter In Place Order); and

WHEREAS, the Shelter in Place Order has created significant impacts to Redwood City residents and businesses with many businesses losing business, at risk of closing and many residents experiencing reduced work hours or layoffs, especially in the service sector. These financial impacts could result in reduced ability to pay rent or mortgage payments, and increase risk of homelessness for individuals and families in Redwood City; and

WHEREAS, without stable housing, individuals and families could be forced into crowded living situations or become homeless, making them much more susceptible to contracting COVID-19; and

WHEREAS, Section 31.3 of the Redwood City Zoning Ordinance establishes short-term rentals as an allowed incidental use to primary residential uses within the City (such uses to be referred to hereinafter as Short-Term Rental uses); and

WHEREAS, Article IV of Chapter 32 of the Redwood City Code contains the Uniform Transient Occupancy Tax Ordinance of the City of Redwood City, which establishes a transient occupancy tax within the City; and
WHEREAS, transient occupancy taxes must be collected and paid for such Short-Term Rental uses and Section 32.75.5 of the Redwood City Code states that taxes and penalties collected and received pursuant to the Uniform Transient Occupancy Tax Ordinance may be appropriated to any lawful purpose by the Council; and

WHEREAS, on January 8, 2018, the City Council committed taxes collected pursuant to Short-Term Rental uses to the Affordable Housing Fund to be appropriated for purposes consistent with the purposes and allowed uses of Affordable Housing Fund monies; and

WHEREAS, the City has available in the Affordable Housing Fund, $150,000 from taxes collected pursuant to Short-Term Rental uses; and

WHEREAS, this City Council desires to reallocate those funds to provide emergency rental assistance support to Redwood City households who have no other means to replace lost income due to COVID-19.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:

Section 1. The foregoing recitals are true and correct, are hereby incorporated herein by this reference as if fully set forth in their entirety, and constitute findings in this matter.

Section 2. The City Council hereby allocates from the Affordable Housing Fund, $150,000 in taxes collected pursuant to Short-Term Rental uses to establish a COVID-19 emergency rental assistance fund.

Section 3. This resolution shall take effect immediately upon its adoption.

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