



Overview of Revenue Measures for Consideration on November 2016 Ballot

**City Council Meeting
July 18, 2016**

Overview of Potential Targeted* Revenue Measures

- **Cannabis business tax of up to 10% of gross receipts**
(could generate ~\$500K annually if set between 5% - 7%)
- **Modified Business License tax**
 - Reduce fees for small businesses with three or fewer employees
 - Warehouses to be taxed at \$100/1,000 square feet of space
 - Parking lot businesses taxed at up to 10% of gross receipts(cumulatively could generate up to \$800K in additional annual revenue)
- **Transient Occupancy Tax (TOT) of up to 14%**
(existing hotels could generate ~\$200K in additional annual revenue)

Grand Total Estimated Revenue: ~\$1.5 - \$1.8 million annually

*Measures would not directly impact majority of San Leandro residents and would reduce taxes for small businesses

*Funds would be used for local needs only; cannot be taken away by the State

*Use of funds to be independently audited by citizen oversight board

Proposed Ballot Language

Cannabis business tax:

To maintain and enhance the City of San Leandro, with funding that cannot be taken by Sacramento, including: social services, public art, programs that celebrate diversity, multilingual programming and other general city services, shall the City of San Leandro levy an ongoing tax of up to 10% of gross receipts of cannabis (marijuana) businesses in the city, providing \$500,000 annually, requiring independent citizen oversight, financial audits, and that all funds stay in the City of San Leandro?

YES

NO

Modified Business License Tax:

To maintain and enhance the City of San Leandro, with funding that cannot be taken by Sacramento, including: enhancing City infrastructure and general city services, shall the City of San Leandro modify the ongoing business license tax to reduce taxes for small businesses, charge 10 percent of gross receipts for parking lots, and charge \$100 per 1,000 square feet of warehouse and distribution space, providing \$800,000 annually, requiring independent citizen oversight, and all funds stay in San Leandro?

YES

NO

Transient Occupancy Tax

To maintain and enhance the City of San Leandro, with funding that cannot be taken by Sacramento, including: enhancing library programming for children, more space for books, reference materials and public access computers, enhancing parks and infrastructure, and other general City services, shall the City of San Leandro increase the ongoing transient occupancy tax charged to hotel guests from 10% to 14%, providing \$200,000 annually, requiring independent citizen oversight, financial audits, and all funds staying in the City of San Leandro?

YES

NO

Business License Ordinance

Minor corrections to proposed ordinance Section 1 (new language shown in red text):

“E. Section 2-2-303 is amended as follows, with deletions in strikethrough and additions in underlined text:

A separate license must be obtained for each separate business on the same premises. Each license shall authorize the licensee to transact and carry on only the business licensed thereby at the location or in the manner designated in that license. Warehouses and distributing plants used in connection with, and incidental to, a business licensed under this Chapter are not deemed to be separate businesses for the purposes of this section.”

Designation of Signatory for Three Ordinances

Section (f)

The Mayor (and Council Member or Vice Mayor) (or Council Members _____) is/are hereby authorized to file a written argument in favor of the proposed measure, not to exceed three hundred words, on behalf of the City Council. At the Mayor's discretion, the argument may also be signed by members of the City Council or bona fide associations or by individual voters who are eligible to vote. In the event that an argument is filed against the measure, the Mayor and Vice Mayor/Council Member are also authorized to file a rebuttal argument on behalf of the City Council...

Key Dates for Ballot Measures

Section 8 (a)

“...The City Clerk is directed to file a certified copy of this resolution with... the Registrar of Voters of Alameda County on or before **August 12, 2016.**”

Section 9.

“a) The last day for submission of primary arguments for or against the measure shall be by 5:00 p.m. on **Monday, August 8th, 2016.**

b) The last day for submission of rebuttal arguments for or against the measure shall be by 5:00 p.m. on **Thursday, August 18, 2016.**

e) The City Attorney shall prepare by **August 12, 2016** an impartial analysis of the Measure showing the effect of the Measure.”

Next Steps

- Tonight: Council to review resolutions authorizing ordinances for Nov. 2016 ballot (with recommended correction to Section f), as well as up to \$65,000 budget for public outreach
- August - November: public outreach & informational campaign
- November 8 , 2016: Election Day



Questions?