Next Steps in
Exploring Potential Revenue Measures

City Council meeting
February 17, 2026

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PREVIOUS COUNCIL DIRECTION

February 1, 2025

- At the Special Meeting and Annual Council Planning Session, the Council directed staff to explore potential revenue measures for the November 2026 ballot.

June 2025 (FY 2026-27 Budget Adoption Process)

- Staff proposed a General Fund allocation of $500K to further explore viability.
  - Council did not include the funding in the adopted budget.
  - Council directed staff to return once year-end fund balance estimates were available.

December 1, 2025

- Council considered survey work; motion to proceed did not pass.

December 15, 2025

- Council directed staff to explore potential Nov. 2026 revenue measures, including community outreach and a feasibility survey.

Community Polling

Based on 12/15/25 Council direction, staff engaged a pollster to conduct a scientific survey of the community

Methodology

- 20 to 25-minute internet and telephone interviews
- 600 (n=600) total San Leandro registered voters likely to vote in the November 2026 election
- Develop topline report of aggregate findings
- Time allows for only **two** potential measures to be scientifically surveyed

Tax Types to consider Polling

1. Business License Tax Modernization
2. Parcel Tax
3. Utility Users Tax Rate (UUT) Modification
4. District Sales Tax
5. Vacant Property Tax

Business License Tax

- The current Business License Tax is calculated using a flat rate based on business type and number of employees.
- FY 24-25 total revenues received: ~$6.9M
- Analysis of potential tax assumes:
  - A rate $1.25 /$1,000 of gross receipts in lieu of current employee-based structure
  - Consolidates business types and reduces the tax for small businesses
  - Projected additional revenue of $3.8 - $4.3 million annually
  - Gross receipts model business license taxes can be more volatile
- Requires 50%+1 for approval
- Staff could not identify any past polling data regarding a potential change to this tax

PARCEL TAX

- The City does not currently assess specific parcel taxes

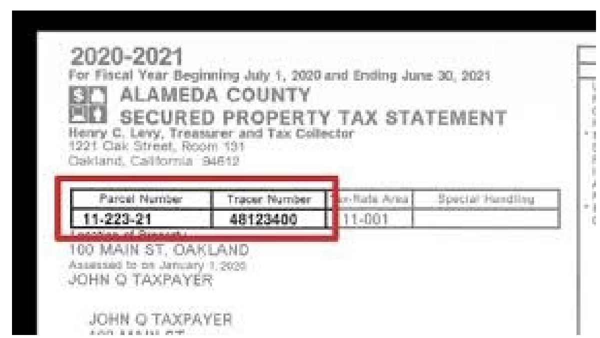
- Analysis of potential tax assumes:

  - Potential structure models
    - per parcel or
    - square footage

  - Projected revenues of $5-$7 million annually

- Requires 66.7% “yes vote” for approval

- In 2024 a potential parcel tax polled at an approval rate of 57.9% by informed likely November 2024 voters



2020-2021
For Fiscal Year Beginning July 1, 2020 and Ending June 30, 2021
ALAMEDA COUNTY
SECURED PROPERTY TAX STATEMENT
Henry C. Levy, Treasurer and Tax Collector
1221 Oak Street, Room 131
Oakland, California 94612

Parcel Number	Tracer Number	Tax Rate Area	Special Handling
11-223-21	48123400	11-001	

100 MAIN ST, OAKLAND
Assessed to on January 1, 2020
JOHN Q TAXPAYER

JOHN Q TAXPAYER

Utility User Tax modification

- The current Utility User Tax rates are between approx. 5.5%-6%.
  - Current rates are similar to other neighboring jurisdictions
- FY 24-25 total revenues received: ~$14.1M
- Analysis of potential tax assumes:
  - An increase of 3.4%
  - Potential *additional* revenue of approx. $6-7M annually
  - Would create a rate higher than most in the area
- Requires 50%+1 for approval
- Polled at approval rate of 46.5% by informed likely Nov. 2024 voters

District Sales Tax

- Current total sales tax rate of 10.75%, at or above neighboring jurisdictions
- Analysis of potential tax assumes:
  - A one-half cent increase would generate an increase of approx. $11-$14M annually
  - Any further increases to sales tax would require an exemption from the State Legislature
  - The City rate is currently at the State-imposed cap of 2% for City (0.5%) & County (1.5%) District tax limit
- Requires 50%+1 for approval
- No recent polling data on potential sales tax increase

VACANCY TAX

- Oakland is the only U.S. municipality staff could identify with such a tax fully implemented
- Administration of the tax is complex; requires appeals process + additional staff
- Revenue estimates not presently available
- Requires 50%+1 for approval
- 2020 informal polling suggested approx. 61.1% support

PREVIOUS & UPDATED TIMELINE

Updated Timeline for Revenue Measure on November 2026 Ballot		
PROJECT NAMES + TASK TITLES	**Updated Estimated Timeline as of December 2025 as communicated to Council**	**Updated Estimated Timeline as of January 2026**
Project Launch	December 2025	January 2026
Public communications/polling survey	January 2026	3/2/26-3/12/26
Survey results presentation to Council, Council decision whether to advance measure	March 2026	April 6, 2026
Conduct tracking poll	~~May 2026~~	~~May 2026~~
Council vote to place question on ballot	June 2026	June, 15 2026
Prepare and mail ballots	October 2026	October 5, 2026
Election Day	November 2026	November 3, 2026

STAFF RECOMMENDS

Council direct staff to work with consultant to conduct a poll surveying:

1. Business License Tax Modernization;
2. Parcel Tax; and
3. Questions to test viability of vacancy tax

QUESTIONS & FEEDBACK