



**CITY OF OAKLAND
BLUE RIBBON EQUITABLE BUSINESS TAX TASKFORCE**

**REGULAR MEETING
Meeting Agenda
Thursday, September 30, 2021
6:00 PM
Via Teleconference**

Blue Ribbon Equitable Business Tax Taskforce Members:

Adrianna Fike
Michael Katz
Tasion Kwamilele
Cynthia Larsen – **Vice Chairperson**
Zain Oke
Liz Ortega
Daniel Swafford
Ari Takata-Vasquez - **Chairperson**
Minh Tsai
Ben Wanzo
Winter Williams

Task Force website: [City of Oakland | Blue Ribbon Equitable Business Tax Task Force](#)

Pursuant to the Governor's Executive Order N-29-20, Blue Ribbon Equitable Business Tax Taskforce Members, as well as City staff, will participate via phone/video conference, and no physical teleconference locations are required.

PUBLIC PARTICIPATION

The Oakland Blue Ribbon Equitable Business Tax Taskforce encourages public participation in the online board meetings. The public may observe and/or participate in this meeting in several ways.

OBSERVE:

- To observe the meeting by video conference, please click on this link:
<https://us02web.zoom.us/j/83616493506?pwd=djZxTTRxc3FKSHR4aDUzYnJHQzQvZz09>
Passcode: 384984 at noticed time.

Instructions on how to join a meeting by video conference are available at:
<https://support.zoom.us/hc/en-us/articles/201362193>, which is a webpage entitled “Joining a Meeting”

- To listen to the meeting by phone, please call the numbers below at the noticed meeting time:
Dial (for higher quality, dial a number based on your current location):

One tap mobile :

[US: +16699006833,,83616493506#,,,,*384984#](tel:+1669900683383616493506#) or
[+12532158782,,83616493506#,,,,*384984#](tel:+1253215878283616493506#)

Or Telephone:

US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592 or +1 312 626 6799 or +1 929 205 6099

Webinar ID: 836 1649 3506

Passcode: 384984

International numbers available: <https://us02web.zoom.us/j/kxadPAqUZ>

After calling any of these phone numbers, if you are asked for a participant ID or code, press #. Instructions on how to join a meeting by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting By Phone.”

PROVIDE PUBLIC COMMENT: There are three ways to make public comment within the time allotted for public comment on an eligible Agenda item.

- **Comment in advance:** To send your comment directly to the Blue Ribbon Equitable Business Tax Taskforce and staff BEFORE the meeting starts, please send your comment, along with your full name and agenda item number you are commenting on, to BlueRibbonTaskForce@oaklandca.gov. Please note that eComment submissions close one (1) hour before posted meeting time. All submitted public comment will be provided to the Task Force Members prior to the meeting.
- **By Video Conference:** To comment by Zoom video conference, click the “Raise Your Hand” button to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. You will then be unmuted, during your turn, and allowed to participate in public comment. After the allotted time, you will then be re-muted. Instructions on how to “Raise Your Hand” are available at: <https://support.zoom.us/hc/en-us/articles/205566129>, which is a webpage entitled “Raise Hand In Webinar.”
- **By Phone:** To comment by phone, please call on one of the above listed phone numbers. You will be prompted to “Raise Your Hand” by pressing STAR-NINE (“*9”) to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. Once it is your turn, you will be unmuted and allowed to make your comment. After the allotted time, you will be re-muted. Instructions of how to raise your hand by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting by Phone.”

If you have any questions about these protocols, please e-mail BlueRibbonTaskForce@oaklandca.gov

Do you need an ASL, Cantonese, Mandarin or Spanish interpreter or other assistance to participate? Please email SAzimi@oaklandca.gov or call (510) 238-2972 for TDD/TTY five days in advance.

¿Necesita un intérprete en español, cantonés o mandarín, u otra ayuda para participar? Por favor envíe un correo electrónico a SAzimi@oaklandca.gov o llame al (510) 238-2972 para TDD/TTY por lo menos cinco días antes de la reunión. Gracias.

您需要手語, 西班牙語, 粵語或國語翻譯服務嗎? 請在會議前五個工作日電郵 SAzimi@oaklandca.gov 或 致電 (510) 238-2972 TDD/TTY.

1. Roll Call and Determination of Quorum

- 2. Public Comment:** Speakers will be called on by the facilitator as speakers “raise their hand” through video conference or by telephone to speak on Agenda items. Comments for matters not on the Agenda will be taken during Open Forum. All speakers will be allotted a maximum of two minutes to address the Task Force, unless amended by the Chair.

3. Approval of Draft Minutes of September 2 and 16, 2021 Meetings

4. Resolution to Continue Teleconference Meetings

The Task Force will consider adopting a resolution determining that conducting in-person meetings of the Oakland Blue Ribbon Equitable Business Tax Task Force and its committees would present imminent risks to attendees’ health, and electing to continue conducting meetings using teleconferencing in accordance with California government code section 54953(e), a provision of AB-361.

- See Proposed Resolution attached

5. Staff Updates:

- A. Proposed Revised Master Calendar (Special Meetings in October)

6. Transportation & Trucking Tax Category

7. Use of Funds Committee Updates

8. Tax Rates Committee Updates:

- A. Study Session: Presentation of Ad Hoc Committee’s Proposed Tax Rates & Rationale

9. Action items

- A. The Task Force may take action on tax rate proposals from Task Force members, or ad hoc committees.

10. Agenda Requests for Future Meetings

Task Force members may use this opportunity to address new issues for Task Force business. New items will be referred to an Ad Hoc Committee for action, outreach, research and/or deliberation or scheduled to a subsequent Task Force meeting.

11. Open Forum

12. Adjournment

The meeting will adjourn upon the completion of the Task Force’s business.

**BLUE RIBBON EQUITABLE TASK FORCE
ACTION MINUTES - THURSDAY, SEPTEMBER 16, 2021**

Meeting was called to order at 6:03 pm by Chuck Maurer.

1. Roll Call: Takata-Vasquez, Larsen, Kwamilele, Ortega, Swafford, Wanzo, and Fike were present. Tsai was absent. Board Member Williams sent an email noting she would be absent. Board Member Katz and Oke arrived at 6:10.

2. Public Comment

None.

3. Approval of Draft Minutes of August 5 and August 19, 2021, Meetings

Chair Takata-Vasquez moved, seconded by Board Member Swafford to approve the August 5 and August 19, 2021, meetings as presented.

Board polled as follows: Takata-Vasquez, Larsen, Kwamilele, Ortega, Swafford, and Wanzo voted “aye.” Fike abstained. Motion carried.

4. Speaker:

A. Hilary Abell, Co-Founder, Project Equity

Hilary Abell, noted they were a national business, but located in Oakland. She stated they promoted worker owned businesses as they had the ability to create quality jobs, asset building and opportunities. She noted employee ownership could create economic resiliency for working families of all racial and economic backgrounds and a more inclusive Bay Area economy. She noted working poverty and racial inequity. She advised that the Silver Tsunami and COVID-19 created a risk for smaller businesses. The speaker’s internet went out.

Board Member Katz and Oke arrived at 6:10.

5. Staff Updates

A. Proposed Revised Master Calendar

B. Tax Modeling discussion of tax scenarios

Chair Takata moved, seconded by Board Member Katz to move this item to the end of the agenda.

Board polled as follows: Takata-Vasquez, Larsen, Katz, Kwamilele, Oke, Ortega, Swafford, Wanzo, and Fike voted “aye.” Motion carried.

6. Ad Hoc Committee Updates:

A. Committee 1 – Use of Funds – shared his screen that had the notes that were taken during their meeting. He noted they had a list of businesses and people that could be outreached. They listed feedback that had already been received. They stated they would have staff send out the information to the board.

Hilary Abell was able to continue her presentation. She advised that benefits of employee ownership were: 33% higher median income, 53% longer median job tenure, 3 to 4% more likely to retain staff, standard hours and salaries maintained at higher rates, and safer work environment. She mentioned that Oakland had more than 20 worker cooperatives, almost 30 companies with Employee Stock Ownership Plans, and several organizations that were Employee Ownership leaders with HQ's located in Oakland. She indicated that several neighboring cities were also promoting Equity Ownership.

Discussion held concerning how Project Equity presented all forms of broad-based forms of employee ownership as succession options.

Discussion held pertaining to the three types of employee ownership: direct (shared by all employees as individuals; indirect (trust/ownership on behalf of employees by the trustee of an employee trust); and a hybrid version that combines the two.

Discussion held regarding how a company would need a minimum of 10 to 15 people to have a successful employee-owned company.

Discussion held concerning how it usually takes a few months to a few years to transition to employee owned.

- B. Committee 3 – Review of proposals called City Council and City Council Alternate – stated they were unable to review the proposal they were supposed to as another proposal (that had not been looked at by the complete Task Force) was presented.

Discussion held pertaining to how a new proposal was presented at the subcommittee meeting.

Discussion held regarding whether the new proposal should be presented to the full Task Force.

Discussion held concerning how the new model was to cap the amount for the top three tiers but was otherwise like the Blue Option.

Board Member moved to end the meeting and request a special meeting to discuss the proposal that was selected by the straw poll.

Chair Takata Vasquez moved to make a friendly amendment to rework the ad hoc committee group and then have the special meeting. Board Member Ortega seconded.

Discussion held clarifying how there would be an ad hoc committee meeting and then a special meeting would be held.

Chuck Maurer clarified that the motion was to adjourn the meeting early and set a special meeting to discuss the proposal that the ad hoc committee presented.

Discussion held pertaining to how one ad hoc committee would be responsible for: the proposal from the straw poll voted on at the prior meeting and discuss adjusting those rates to bring back to the full Task Force. The second ad hoc would discuss the use of funds.

Discussion held regarding how the one ad hoc committee would be responsible to work on the one proposal that was selected to move forward, make adjustment to the rates, and present it back to the full Task Force with notes about concerns. The second ad hoc committee would discuss use of funds.

Jennifer Logue, City Attorney's office stated a new ad hoc committee could be created and discuss the proposal that was voted on last meeting and create a proposal to be brought back to the committee. She advised that the proposal should be posted and provided prior to the meeting (at least 4 to 5 days prior – so the board members could have their recommendations submitted at least 48 hours prior to the meeting). She noted at the full meeting all members could submit recommendations that could be posted.

Chuck Maurer read the final motion as: Adjourn the meeting, schedule a special meeting Task Force meeting to discuss the proposal the ad hoc committee produces. Friendly amendment that a sub committee be created to work on the proposal.

Consensus was to remove the adjourn the meeting portion of the motion.

Motion was to create an ad hoc committee to discuss the proposal from the prior meeting, and the ad hoc committee would bring that proposal to the special meeting for the whole board to review.

Board polled as follows: Takata-Vasquez, Larsen, Katz, Kwamilele, Oke, Ortega, Swafford, Wanzo, and Fike voted "aye." Motion carried.

Ad hoc committee would consist of: Fike, Wanzo, Oke, Takata-Vasquez, and Katz.

Board Member Katz moved, seconded by Chair Takata-Vasquez to adjourn the meeting.

Discussion held concerning how they could not adjourn the meeting until after Open Forum had taken place.

Board polled as follows: Takata-Vasquez, Larsen, Katz, Kwamilele, Oke, Ortega, Swafford, Wanzo, and Fike voted "aye." Motion carried.

7. Open Forum

No comments.

8. Adjournment

Meeting adjourned at 7:44 p.m. Next meeting will be September 30, 2021, at 6:00 pm

BLUE RIBBON EQUITABLE TASK FORCE ACTION MINUTES - THURSDAY, SEPTEMBER 2, 2021

Meeting was called to order at 6:03 pm by Chuck Maurer.

1. Roll Call: Takata-Vasquez, Larsen, Katz, Kwamilele, Ortega, Swafford, Wanzo, Williams, and Fike were present. Oke and Tsai were absent. There was a quorum.

2. Welcome

A. New Member Adrionna Fike

Board Member Fike provided a brief background about herself.

3. Public Comment

None.

4. Approval of Draft Minutes of July 8 & July 22, 2021, Meetings

Chair Takata-Vasquez moved, seconded by Board Member Kwamilele to approve the July 8 & July 22, 2021, meetings as presented.

Board polled as follows: Takata-Vasquez, Larsen, Katz, Kwamilele, Ortega, Swafford, Wanzo, and Williams voted “aye.” Motion carried. Fike abstained.

5. Speaker:

A. **Ted Egan, Chief Economist, City & County of San Francisco**

Ted Egan stated he had been involved with the City and County of San Francisco updates in policies and business tax changes for over the past 10 years. He stated in 2012 they adopted a progressive gross receipt tax to gradually replace a payroll tax on businesses; in 2018 they adopted two additional taxes (effectively) on gross receipts (on larger businesses and commercial real estate). In 2020 they adopted two more taxes on gross receipts (an across-the-board adjustment and a surtax on businesses with wide disparities in CEO and median employee compensation). He reviewed the history from 2012 through current day. He noted in 2012 they wanted to develop a tax proposal that would: create jobs, create tax revenue, improve revenue stability, and address inequities in the payroll tax – the proposal received 70% of the vote (featured: a progressive industry-specific gross receipts tax, revenue neutral phase-out of payroll tax, residual payroll tax for “administrative offices”, a progressive increase in the business registration fee, and a broadening of the tax base by incorporating larger sole proprietors and Federal enclaves like the Presidio).

Discussion held pertaining about the impact of the pandemic on the business tax and how there was a significant decrease in 2020.

Discussion held concerning how there could be lower business tax revenue for the next several years due to the pandemic.

Discussion held regarding the differences between the change from a flat tax to a progressive tax that San Francisco encountered.

Discussion held concerning the positive effects of the 2012 and 2020 business tax change had on San Francisco.

Discussion held pertaining to how San Francisco used the Federal codes to determine business type/category, but it created problems.

Discussion held regarding how the rate was anywhere between 1.4% and 2.9% for most of the businesses.

Discussion held concerning how there is always a concern that businesses would leave due to a tax increase.

Discussion held pertaining to how San Francisco's 2018 tax recommendation was not brought forward by the City.

Discussion held regarding how in 2012 San Francisco the Business License Fee went from \$25 to \$90; the rate not changed since the 1980's.

Discussion held concerning how San Francisco had a built-in definition of small business but worked on crafting something that worked with gross receipts (\$1 million, was increased to \$1.5 million in 2020).

6. Staff Updates

A. Tax modeling: discussion of tax scenarios

Matt Newman, Blue Sky, noted he was ready to share what the two subcommittees had discussed at their meetings from the prior week. He mentioned that the calendar was tight, and the recommendations were due to Council before the end of November and that staff would need time to create the report before the presentation. He indicated that a vote should be taken by the next meeting on what the recommendations would be.

7. Ad Hoc Committee Updates:

- A. Committee 2 – Review of proposals called City Council and City Council Alternate - she noted they had updated the City Council Alternate, keeping in mind Council's goal of \$37 million.
- B. Committee 3 – Review of proposals from former Subcommittee C – noted the major change they made was to shift the rates one column over to release the burden on the smaller businesses. She stated they would not raise as much in taxes but would be more agreeable to the businesses.
- C. Committee 1 – Use of funds – noted they had spoken with staff and several stakeholders. They created a list of the recommendations. He noted one of the

considerations was to create a board that was like the sugar Sweetened Beverage.

8. Action Items

- A. The Task Force may take action on tax rate proposals from Task Force Members or ad hoc committees.

Chair Takata-Vasquez recommended doing a straw poll to see if the board could narrow down the focus on rates.

Board responded as follows: Williams – uncertain, Wanzo – Red Option, Takata-Vasquez – Blue Option, Swafford – Blue Option, Ortega – Blue Option, Larsen – Red Option, Kwamilele – Red Option, Katz – Blue Option, and Fike – Blue Option. Votes: Blue Option – 5; Red Option – 3; 1 abstain.

Discussion held pertaining to trying to find a common ground between the highest and lowest amounts.

Discussion held concerning whether there was a firm definition of what equitable was across the businesses.

Discussion held regarding changing the percentages on the 50 to 100 million and decreasing the 100 to 150 million on the blue model. It was also discussed about including the 25 to 50 million.

Discussion held pertaining to how and why the admin headquarters category was created.

Discussion held concerning how San Francisco had an additional homeless tax that affected the admin headquarters that they paid based on the overall number of employees and amount of gross receipts.

Chair Takata Vasquez stated she would do a straw poll to determine if the Board would like to move forward with the Blue option.

Board responded as follows: Fike – yes, Katz – yes, Kwamilele – abstain, Larsen – abstain, Ortega – yes, Swafford – yes, Takata-Vasquez – yes, Wanzo – yes, Williams – abstain. Six yes, three abstain.

Discussion held pertaining to how the yellow highlighted sections indicated the raters were higher than \$7 and the green text was where the recommended rate was higher than what was proposed by the City Council.

Discussion held regarding how the miscellaneous category encompassed businesses who could not fall into another category (brewery, winery). There were only 25 out of 60,000 that would fall into that category.

Discussion held concerning how the extra payroll tax would only be on the admin headquarters category (only the largest revenue).

Board Member Fike left the meeting at 8:47 pm

Chair Takata-Vasquez recommended the board look over the proposed scenario the board was looking at and bring back any recommendations/changes they would like at the next meeting.

Chair Takata-Vasquez moved, seconded by Board Member Kwamilele to extend the meeting by five minutes.

Board polled as follows: Takata-Vasquez, Larsen, Katz, Kwamilele, Ortega, Swafford, Wanzo, and Williams voted "aye." Motion carried.

9. Agenda Requests for Future Meetings

Margaret O'Brien noted the recommended would need item to be stressed tested.

10. Open Forum

No comments.

11. Adjournment

Meeting adjourned at 8:02 p.m. Next meeting will be September 16, 2021, at 6:00 pm



CITY ATTORNEY'S OFFICE

OAKLAND BLUE RIBBON EQUITABLE BUSINESS TAX TASK FORCE

RESOLUTION NO. 21-001

RESOLUTION DETERMINING THAT CONDUCTING IN-PERSON MEETINGS OF THE OAKLAND BLUE RIBBON EQUITABLE BUSINESS TAX TASK FORCE AND ITS COMMITTEES WOULD PRESENT IMMINENT RISKS TO ATTENDEES' HEALTH, AND ELECTING TO CONTINUE CONDUCTING MEETINGS USING TELECONFERENCING IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 54953(e) AS AMENDED BY CALIFORNIA ASSEMBLY BILL NO. AB-361 (SEPTEMBER 16, 2021).

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a state of emergency related to COVID-19, pursuant to Government Code Section 8625, and such declaration has not been lifted or rescinded, See <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.4.20-Coronavirus-SOE-Proclamation.pdf> ; and

WHEREAS, on March 9, 2020, the City Administrator in their capacity as the Director of the Emergency Operations Center (EOC), issued a proclamation of local emergency due to the spread of COVID-19 in Oakland, and on March 12, 2020, the City Council passed Resolution No. 88075 C.M.S. ratifying the proclamation of local emergency pursuant to Oakland Municipal Code (O.M.C.) section 8.50.050(C); and

WHEREAS, City Council Resolution No. 88075 remains in full force and effect to date; and

WHEREAS, the Centers for Disease Control (CDC) recommends physical distancing of at least six (6) feet whenever possible, avoiding crowds, and avoiding spaces that do not offer fresh air from the outdoors, particularly for people who are not fully vaccinated or who are at higher risk of getting very sick from COVID-19. See <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html>; and

WHEREAS, the CDC recommends that people who live with unvaccinated people avoid activities that make physical distancing difficult, See <https://www.cdc.gov/coronavirus/2019-ncov/your-health/about-covid-19/caring-for-children/families.html>; and

WHEREAS, the CDC recommends that older adults limit in-person interactions as much as possible, particularly when indoors. See <https://www.cdc.gov/aging/covid19/covid19-older-adults.html>; and

WHEREAS, the CDC, the California Department of Public Health, and the Alameda County Public Health Department all recommend that people experiencing COVID-19 symptoms stay home, See <https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/steps-when-sick.html>; and

WHEREAS, persons without symptoms may be able to spread the COVID-19 virus, See <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html>; and

WHEREAS, fully vaccinated persons who become infected with the COVID-19 Delta variant can spread the virus to others, See <https://www.cdc.gov/coronavirus/2019-ncov/vaccines/fully-vaccinated.html>; and

WHEREAS, the City's public-meeting facilities are indoor facilities that are not designed to ensure circulation of fresh / outdoor air, particularly during periods of cold and/or rainy weather; and

WHEREAS, the City's public-meeting facilities are not designed to ensure that attendees can remain six (6) feet apart; and

WHEREAS, holding in-person meetings would encourage community members from different households to come to City facilities to participate in local government, and some of them would be at high risk of getting very sick from COVID-19 and/or would live with someone who is at high risk; and

WHEREAS, in-person meetings will bring community members who are experiencing COVID-19 symptoms to leave their homes in order to come to City facilities and participate in local government; and

WHEREAS, some attendees would use ride-share services or public transit to travel to in-person meetings, thereby putting them in close and prolonged contact with additional people outside of their households; now therefore be it:

RESOLVED: that the Oakland Blue Ribbon Equitable Business Tax Task Force finds and determines that the foregoing recitals are true and correct and hereby adopts and incorporates them into this Resolution; and be it

FURTHER RESOLVED: that, based on these determinations and consistent with federal, state and local health guidance, the Oakland Blue Ribbon

Equitable Business Tax Task Force determines that conducting in-person meetings would pose imminent risks to the health of attendees; and be it

FURTHER RESOLVED: that the Oakland Blue Ribbon Equitable Business Tax Task Force firmly believes that the community's health and safety seriously and the community's right to participate in local government, are both critically important, and is committed to balancing the two by continuing to use teleconferencing to conduct public meetings, in accordance with California Government Code Section 54953(e), a provision of AB-361; and be it

FURTHER RESOLVED: that the Oakland Blue Ribbon Equitable Business Tax Task Force will renew these (or similar) findings at least every thirty (30) days in accordance with California Government Code section 54953(e) until the state of emergency related to COVID-19 has been lifted, or the Oakland Blue Ribbon Equitable Business Tax Task Force finds that in-person meetings no longer pose imminent risks to the health of attendees, whichever is occurs first.

ADOPTED ON THIS ___ DAY OF _____, 2021.

Blue Ribbon Equitable Business Tax Task Force

Master Calendar & Tentative Schedule

(Proposed Revision September 30, 2021)

Task Force Duties and Functions

Pursuant to Resolution [88478 C.M.S.](#), the Blue Ribbon Equitable Business Tax Task Force (“Task Force”) comprises 11 members serving the term from the date of appointment and ending on January 1, 2022. The Task Force is to carry out the analysis of the Business Tax rates, as described in Section 5.04.205 of Resolution No. [88227 C.M.S.](#), engage in community and stakeholder outreach, and provide policy recommendations to the City Council of the economic impact of the recommended business tax rates by October 31, 2021.

Meetings

Regular meetings of the Task Force are held every other Thursday during the calendar year 2021 at 6:00 p.m. unless the meeting is publicly posted to begin at a different time or cancelled at the request of the Task Force.

Meetings are to be held via video chat platform Zoom until further notice. Meetings are to open to the public and enable public comments

Date	Time	Location	Notes
April 15, 2021	6pm – 8pm	Zoom	• Special Meeting
April 29, 2021	6pm – 8pm	Zoom	• Regular Meeting
May 13, 2021	6pm – 8pm	Zoom	• Regular Meeting
May 27, 2021	6pm – 8pm	Zoom	• Regular Meeting
June 10, 2021	6pm – 8pm	Zoom	• Regular Meeting
June 24, 2021	6pm – 8pm	Zoom	• Regular Meeting
July 8, 2021	6pm – 8pm	Zoom	• Regular Meeting
July 22, 2021	6pm – 8pm	Zoom	• Regular Meeting
August 5, 2021	6pm – 8pm	Zoom	• Regular Meeting
August 19, 2021	6pm – 8pm	Zoom	• Regular Meeting

Date	Time	Location	Notes
September 2, 2021	6pm – 8pm	Zoom	<ul style="list-style-type: none"> • Regular Meeting
September 16, 2021	6pm – 8pm	Zoom	<ul style="list-style-type: none"> • Regular Meeting
September 30, 2021	6pm – 8pm	Zoom	<ul style="list-style-type: none"> • Regular Meeting • Study Session: Ad Hoc Committee's Recommended Tax Rates
October 14, 2021	6pm – 8pm	Zoom	<ul style="list-style-type: none"> • <u>Special Meeting</u> • Adoption of Proposed Tax Rates & Use of Funds
October 21, 2021	6pm – 8pm	Zoom	<ul style="list-style-type: none"> • <u>Special Meeting</u> • Draft report is to be distributed for review and comments by this date. • Discuss/Revise Task Force's Report & Recommendations
October 28, 2021	6pm – 8pm	Zoom	<ul style="list-style-type: none"> • <u>Special Meeting</u> • Finalize Task Force's Report & Recommendations
November 16, 2021	1:30 PM	Tele Conference	<ul style="list-style-type: none"> • City Council Meeting • Task Force Chair or Vice Chair to present report and recommendations • Q&A

Motor Carriers

- The State preempts local tax on property carriers, household or for hire transport businesses.
- Household goods: Pub utility code 5325
- Motor Carrier of Property: Rev & tax 7231
- Passenger carrier: Pub utility code 4001



- If a carrier is regulated and pays an in-lieu business tax to DMV cities may not tax on the transportation portion of the business. If the business has an office in your city you may tax on expenses, employees etc.

Motor Carriers- City Comparisons

City	Basis	Rate	Notes
<i>Oakland</i>	<i>Per Employee</i>	<i>\$72 Base</i>	<i>Schedule below</i>
Los Angeles	Min + Per Day Fee	\$88.69 Min/Yr	Per day rate is determined by unladen vehicle weight
Long Beach	Per Vehicle	163.07/Yr	CPI indexed since 2000
Stockton	Per Vehicle	\$50.00/Yr (Pro Rated)	Only on Out of Town
Richmond	Exempt	N/A	N/A
San Francisco	Exempt	N/A	N/A

Oakland Transportation Rate Schedule:

\$72.00 1st Employee (business owner)

\$18.00 For each of the next 19 employees

\$9.00 For each of the next 80 employees

\$7.50 For each of the next 100 employees

\$4.50 For each of the next 200+ employees

Motor Carriers-Oakland Breakdown

"L" Accounts	Totals
# In Town Accounts	224
# Out of Town Accounts	74
Total # of Licensed Accounts	298
Total Amount Collected 2021	\$68,649.00

Motor Carriers-Size Breakdown

Type	Number	% of Total
# of Accounts paying minimum	152	51.0%
# of Accounts 2-5	48	16.1%
# of Accounts >5	55	18.5%
Reg Fee Paid only (New Accounts)	43	14.4%
Total	298	100.0%

Taxis/Ambulances City Comparisons

Taxis & Limos			
City	Basis	Rate	Notes
Oakland	Per Permit	\$180.00	
Long Beach	Per Taxi	\$558.87	
Stockton	Gross Receipts	\$0.90 per \$1,000	Annual \$28 registration fee
Richmond	Base + Per Emp	\$87.60	\$47.60 per employee
Emeryville	Flat	\$200.00	
San Leandro	Base + Per Emp	\$75.00	\$44.76 per employee
Ambulances			
City	Basis	Rate	Notes
Oakland	Per Vehicle	75.00	
Long Beach	Per Vehicle	\$147.04	
Stockton	Gross Receipts	\$0.90 per \$1,000	Annual \$28 registration fee
Richmond	Base + Per Emp	\$234.10	\$47.60 per employee
Emeryville	Gross Receipts	1.00 per \$1,000	Annual \$10 registration fee
San Leandro	Base + Per Emp	\$75.00	\$44.76 per employee

Taxis/Ambulances- Oakland Breakdown

"X" Taxicab Accounts	Totals
# In Town Accounts	21
# Out of Town Accounts	44
Total # of Licensed Accounts	65
Total Amount Collected 2021	\$19,800.00

"Y" Ambulance/Limo Accounts	Totals
# In Town Accounts	18
# Out of Town Accounts	17
Total # of Licensed Accounts	35
Total Amount Collected 2021	\$3,975.00

Current and Kalb Proposal

Current "L" Transportation Tax Rate	
Business Size	Per Employee
Owner (single Person)	\$72.00
2- 19	\$18.00
20-100	\$9.00
101-200	\$7.50
201+	\$4.50

City Council "Kalb" Proposal	
Business Size	Per Employee
Sole Proprietor	\$150.00
2- 19	\$25.00
20-90	\$30.00
91 +	\$40.00

"X" Taxi Rate (Applicable Limos)		
Basis	Current	Kalb Proposal
Per Permit	\$180.00	\$180.00
"Y" Ambulance Rate*		
Basis	Current	Kalb Proposal
Per Vehicle	\$75.00	\$149.00

*Note that 11 Limo companies would move to the Taxi tax type

INDUSTRY OVERVIEW*(For FY 2020-21)*

	# Firms	# Employees*
Taxis	62	110
Limousines	16	16
Ambulances	8	37
Trucking / Transp	258	4,872
1 Employee	154	154
2 - 9 Employees	57	217
10 - 99 Employees	42	1,380
100+ Employees	5	3,121
TOTAL	344	5,035

*For taxis, limos, and ambulances, refers to the number of permits

TAX RATES - CURRENT LAW vs KALB PROPOSAL

	Current Law	Kalb Proposal
Taxis	\$180.00	\$180.00
Limousines	\$75.00	\$180.00
Ambulances	\$75.00	\$149.00
Trucking / Transp	First Employee \$72.00 2nd - 20th \$18.00 21st - 100th \$9.00 101st - 200th \$7.50 All Additional \$4.50	First Employee \$150.00 2nd - 10th \$25.00 11th - 100th \$30.00 All Additional \$40.00

REVENUES - CURRENT LAW vs KALB PROPOSAL (FY 23 - 24)

	Current Law	Kalb Proposal	Net Additional Rev
Taxis	\$12,510	\$12,510	\$0
Limousines	\$1,275	\$4,335	\$3,060
Ambulances	\$2,948	\$8,805	\$5,857
Trucking / Transp	\$90,090	\$311,362	\$221,272
Total	\$106,823	\$337,012	\$230,189

Potential Business Tax Rates
DRAFT - Preliminary

MARG TAX \$ PER \$1,000

		City Council - Baseline Option										Add'l Rev:	Current Option #3					† Alt Payroll Tax @ \$15.00					Add'l Rev:								
		City Council										\$34,695,014					9.2 - CC Alt_6b					\$8,205,980					\$35,720,071				
		Current	Current	Small Biz		Min						And		Biz	Min					And		Biz	Min					And			
		Min	Tax per	Alt.**	Payment*	\$1.0	\$2.5	\$10.0	\$25.0	\$50.0	\$75.0	Above	Alt.**	Payment*	\$1.0	\$2.5	\$10.0	\$25.0	\$50.0	\$75.0	Above	Alt.**	Payment*	\$1.0	\$2.5	\$10.0	\$25.0	\$50.0	\$75.0	Above	
A	Retail Sales	\$60	\$1.20	\$100	\$0	\$0.75	\$1.00	\$1.25	\$1.25	\$1.50	\$2.00	\$2.00	N/A	\$50	\$0.90	\$1.08	\$1.25	\$1.50	\$1.75	\$2.00	\$2.50	N/A	\$50	\$1.20	\$1.25	\$1.50	\$1.75	\$2.00	\$2.25	\$2.75	
C	Auto Sales	\$60	\$1.20	\$100	\$0	\$1.25	\$2.25	\$3.25	\$3.25	\$4.25	\$5.25	\$5.25	N/A	\$50	\$1.20	\$1.25	\$1.50	\$1.75	\$2.00	\$2.25	\$2.75	N/A	\$50	\$1.20	\$1.25	\$1.50	\$1.75	\$2.00	\$2.25	\$2.75	
D	Wholesale Sales	\$60	\$1.20	\$100	\$0	\$0.75	\$1.00	\$1.25	\$1.25	\$1.50	\$2.00	\$2.00	N/A	\$50	\$1.08	\$1.14	\$1.25	\$1.50	\$1.75	\$2.00	\$2.50	N/A	\$50	\$1.08	\$1.14	\$1.25	\$1.50	\$1.75	\$2.00	\$2.50	
I	Manufacturing	\$60	\$1.20	\$100	\$0	\$1.25	\$2.25	\$3.25	\$3.25	\$4.25	\$5.25	\$5.25	N/A	\$50	\$0.90	\$1.20	\$2.25	\$2.75	\$3.00	\$3.25	\$4.80	N/A	\$50	\$0.90	\$1.20	\$2.25	\$2.75	\$3.00	\$3.25	\$4.80	
K	Admin Headq	\$60	\$1.20	\$100	\$0	\$3.50	\$4.50	\$5.50	\$5.50	\$6.50	\$7.00	\$7.00	N/A	\$50	\$3.50	\$4.50	\$5.00	\$5.50	\$6.00	\$6.50	\$7.00	N/A	\$50	\$3.50	\$4.50	\$5.00	\$5.50	\$6.00	\$6.50	\$7.00	
T	Media Firms	\$60	\$1.20	\$100	\$0	\$1.80	\$2.80	\$3.80	\$3.80	\$4.80	\$5.00	\$5.00	N/A	\$50	\$1.80	\$2.80	\$3.20	\$3.80	\$4.80	\$5.00	\$5.50	N/A	\$50	\$1.80	\$2.80	\$3.20	\$3.80	\$4.80	\$5.00	\$5.50	
W	Miscellaneous	\$60	\$1.20	\$100	\$0	\$3.50	\$4.50	\$5.50	\$5.50	\$6.50	\$7.00	\$7.00	N/A	\$50	\$3.50	\$4.50	\$5.00	\$5.50	\$6.00	\$6.50	\$7.00	N/A	\$50	\$3.50	\$4.50	\$5.00	\$5.50	\$6.00	\$6.50	\$7.00	
B	Grocers	\$60	\$0.60	\$100	\$0	\$0.60	\$1.00	\$1.25	\$1.25	\$1.50	\$2.00	\$2.00	N/A	\$50	\$0.45	\$0.54	\$1.00	\$1.35	\$1.50	\$1.75	\$2.00	N/A	\$50	\$0.45	\$0.54	\$1.00	\$1.35	\$1.50	\$1.75	\$2.00	
E	Business / Pers	\$60	\$1.80	\$100	\$0	\$2.00	\$3.00	\$4.00	\$4.00	\$5.50	\$6.00	\$6.00	N/A	\$50	\$1.62	\$1.71	\$3.25	\$4.00	\$5.00	\$5.25	\$6.00	N/A	\$50	\$1.62	\$1.71	\$3.25	\$4.00	\$5.00	\$5.25	\$6.00	
H	Contractors	\$60	\$1.80	\$100	\$0	\$3.00	\$3.50	\$4.00	\$4.00	\$4.50	\$5.00	\$5.00	N/A	\$50	\$1.80	\$2.75	\$4.00	\$4.50	\$5.00	\$5.50	\$6.00	N/A	\$50	\$1.80	\$2.75	\$4.00	\$4.50	\$5.00	\$5.50	\$6.00	
P	Hotel, Motel	\$60	\$1.80	\$100	\$0	\$1.80	\$2.80	\$3.80	\$3.80	\$4.80	\$5.00	\$5.00	N/A	\$50	\$1.62	\$1.71	\$3.80	\$4.80	\$5.00	\$5.25	\$5.50	N/A	\$50	\$1.62	\$1.71	\$3.80	\$4.80	\$5.00	\$5.25	\$5.50	
F	Prof/Semi	\$60	\$3.60	\$100	\$0	\$4.00	\$4.50	\$5.00	\$5.00	\$5.50	\$7.50	\$7.50	N/A	\$50	\$3.24	\$3.42	\$5.00	\$5.00	\$5.50	\$6.50	\$7.50	N/A	\$50	\$3.24	\$3.42	\$5.00	\$5.00	\$5.50	\$6.50	\$7.50	
G	Recr And Ent	\$60	\$4.50	\$100	\$0	\$4.50	\$4.60	\$4.70	\$4.70	\$4.80	\$5.00	\$5.00	N/A	\$50	\$4.50	\$4.70	\$4.70	\$4.70	\$4.80	\$5.00	\$5.50	N/A	\$50	\$4.50	\$4.70	\$4.70	\$4.70	\$4.80	\$5.00	\$5.50	
U	Public Utility	\$60	\$1.00	\$100	\$0	\$1.80	\$2.80	\$3.80	\$3.80	\$4.80	\$5.00	\$5.00	N/A	\$50	\$4.00	\$4.50	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	N/A	\$50	\$4.00	\$4.50	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	

Cells in red text where proposed rate is less than City Council's

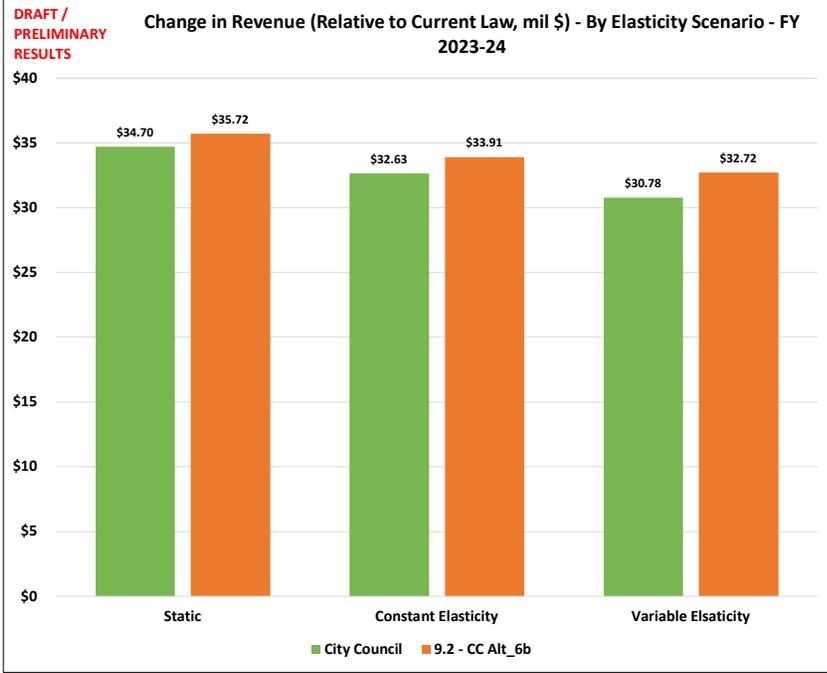
Cells in green text where proposed rate is higher than City Council's

† Add'l Rev includes alt. payroll tax at rate noted for 'Admin HQ' firms with 1,000+ US employees and \$1B+ in US sales.

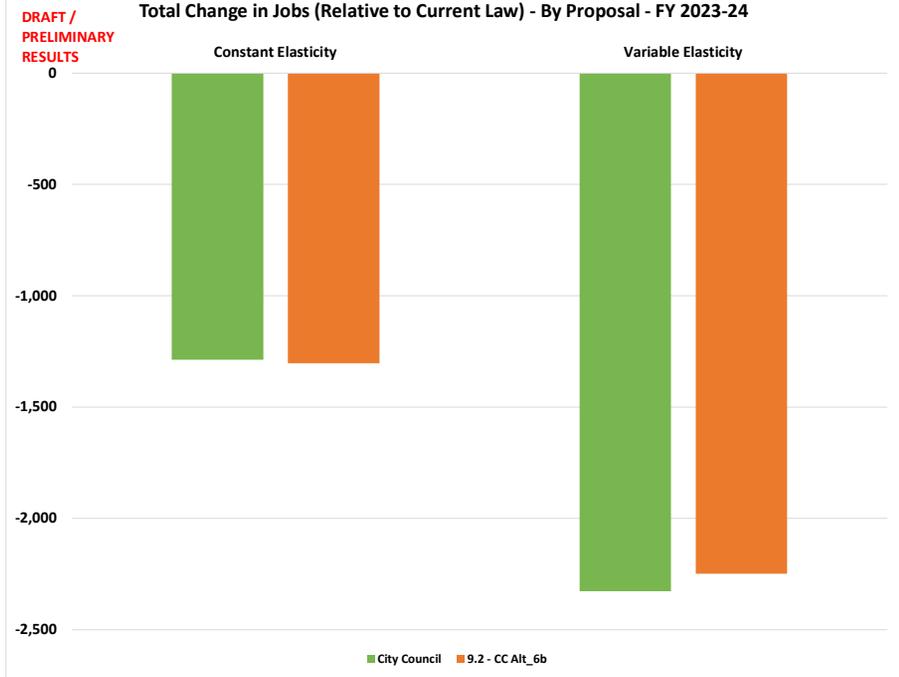
MULTIPLIERS

		City Council - Baseline Option										Current Option #3									
		City Council										9.2 - CC Alt_6b									
		Current	Current	Small Biz		Min				And		Biz	Min					And			
		Min	Tax per	Alt.**	Payment*	\$1.0	\$2.5	\$10.0	\$25.0	\$50.0	\$75.0	Above	Alt.**	Payment*	\$1.0	\$2.5	\$10.0	\$25.0	\$50.0	\$75.0	Above
A	Retail Sales	\$60	\$1.20			0.63	0.83	1.04	1.04	1.25	1.67	1.67			0.75	0.90	1.04	1.25	1.46	1.67	2.08
C	Auto Sales	\$60	\$1.20			1.04	1.88	2.71	2.71	3.54	4.38	4.38			1.00	1.04	1.25	1.46	1.67	1.88	2.29
D	Wholesale Sales	\$60	\$1.20			0.63	0.83	1.04	1.04	1.25	1.67	1.67			0.90	0.95	1.04	1.25	1.46	1.67	2.08
I	Manufacturing	\$60	\$1.20			1.04	1.88	2.71	2.71	3.54	4.38	4.38			0.75	1.00	1.88	2.29	2.50	2.71	4.00
K	Admin Headq	\$60	\$1.20			2.92	3.75	4.58	4.58	5.42	5.83	5.83			2.92	3.75	4.17	4.58	5.00	5.42	5.83
T	Media Firms	\$60	\$1.20			1.50	2.33	3.17	3.17	4.00	4.17	4.17			1.50	2.33	2.67	3.17	4.00	4.17	4.58
W	Miscellaneous	\$60	\$1.20			2.92	3.75	4.58	4.58	5.42	5.83	5.83			2.92	3.75	4.17	4.58	5.00	5.42	5.83
B	Grocers	\$60	\$0.60			1.00	1.67	2.08	2.08	2.50	3.33	3.33			0.75	0.90	1.67	2.25	2.50	2.92	3.33
E	Business / Pers	\$60	\$1.80			1.11	1.67	2.22	2.22	3.06	3.33	3.33			0.90	0.95	1.81	2.22	2.78	2.92	3.33
H	Contractors	\$60	\$1.80			1.67	1.94	2.22	2.22	2.50	2.78	2.78			1.00	1.53	2.22	2.50	2.78	3.06	3.33
P	Hotel, Motel	\$60	\$1.80			1.00	1.56	2.11	2.11	2.67	2.78	2.78			0.90	0.95	2.11	2.67	2.78	2.92	3.06
F	Prof/Semi	\$60	\$3.60			1.11	1.25	1.39	1.39	1.53	2.08	2.08			0.90	0.95	1.39	1.39	1.53	1.81	2.08
G	Recr And Ent	\$60	\$4.50			1.00	1.02	1.04	1.04	1.07	1.11	1.11			1.00	1.04	1.04	1.04	1.07	1.11	1.22
U	Public Utility	\$60	\$1.00			1.80	2.80	3.80	3.80	4.80	5.00	5.00			4.00	4.50	5.00	5.00	5.00	5.00	5.00

ESTIMATED CHANGE IN REVENUES

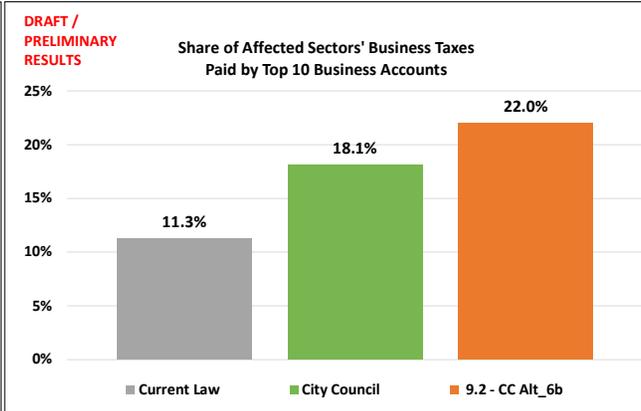
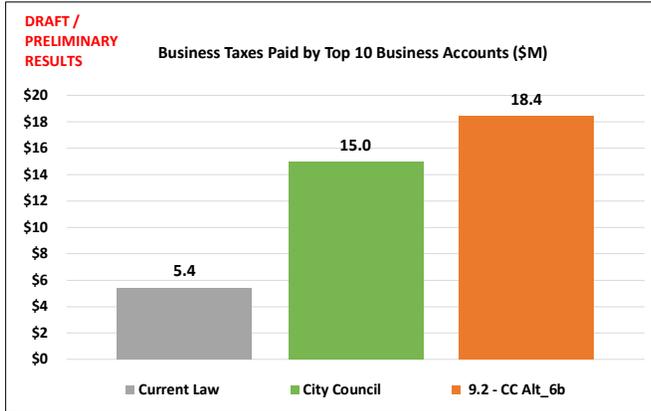


ESTIMATED CHANGE IN JOBS



According to EDD data, total employment for Oakland businesses is typically around 200,000. In Q3 2020, the most recent quarter with available data, that number fell to around 175,000 due to the pandemic.

TAXES PAID BY LARGEST BUSINESSES



TAX BREAKS FOR SMALL BUSINESSES

	City Council	9.2 - CC Alt_6b
Businesses with Tax Cut of \$100+		
# Businesses Benefiting	5,665	3,675
Avg. Tax Cut	(\$328)	(\$255)
Total Cost	(\$1,856,797)	(\$938,452)
Businesses with Tax Cut of < \$100		
# Businesses Benefiting	11,801	17,104
Avg. Tax Cut	(\$47)	(\$21)
Total Cost	(\$550,023)	(\$351,067)
All Businesses with Tax Cut		
# Businesses Benefiting	17,466	20,779
Avg. Tax Cut	(\$138)	(\$62)
Total Cost	(\$2,406,820)	(\$1,289,520)