

**CITY COUNCIL MEETING  
TUESDAY, JUNE 5, 2018**

**PRESENTATIONS**

**ITEM 13 – WS 18-024**

**DISCUSSION OF POTENTIAL  
NOVEMBER 2018  
BALLOT MEASURES**

# Potential November Ballot Measures —

Community Engagement and Public  
Opinion Research

City Manager, Kelly McAdoo



# Recommendation

**Provide feedback and direction on:**

- 1 Progress of community engagement program
- 2 Planned public opinion survey

# Potential Ballot Measures

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- 1 Increase Real Property Transfer Tax (RPTT) rate from \$4.50 to \$10 per \$1,000
- 2 Increase Transient Occupancy Tax (TOT) rate from 8.5 to 12 percent

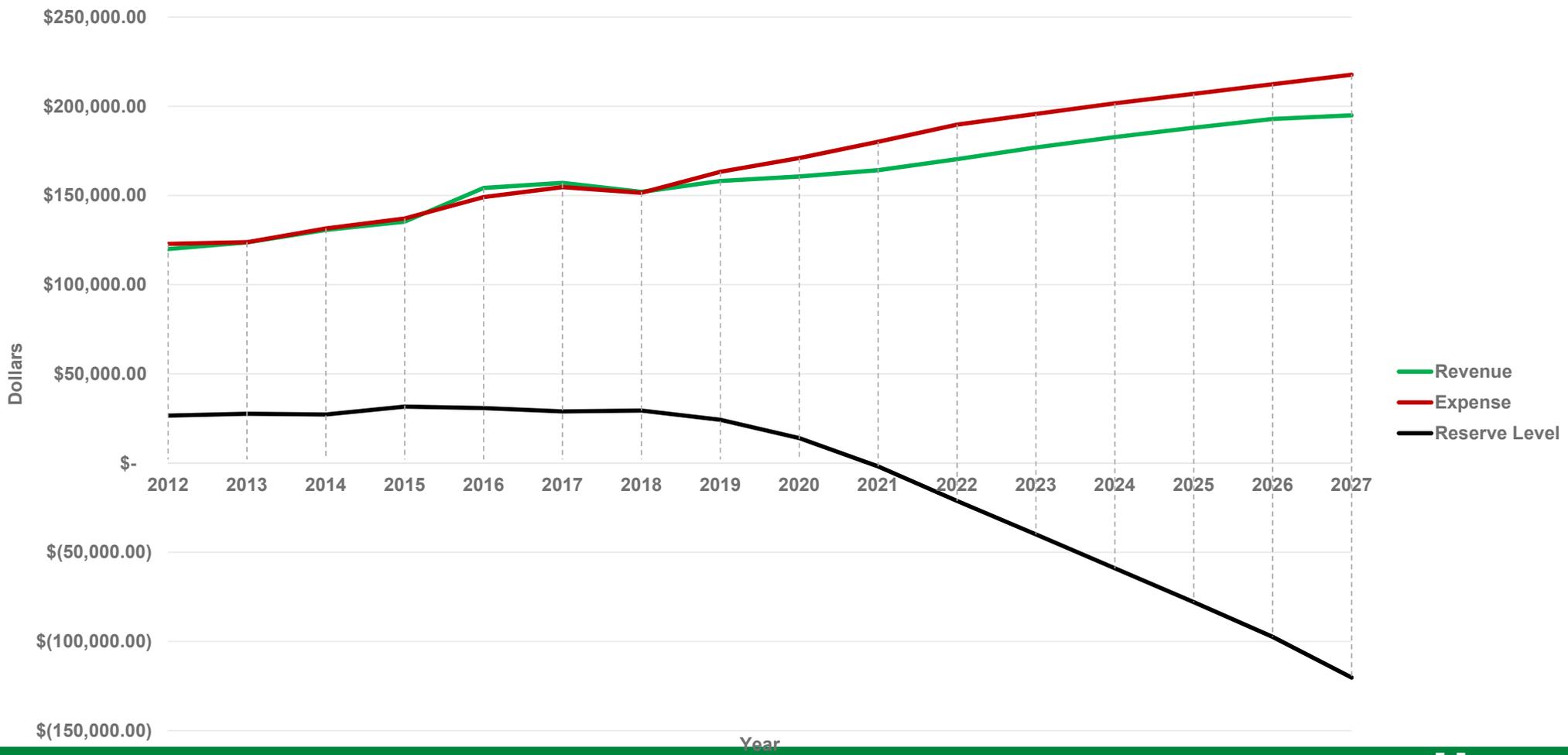
# Background | General Fund Forecasts

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**October 3, 2017 | Presentation of new budgetary forecasting model:**

- 1 Forecasts widening General Fund deficits starting in Fiscal Year 2019
- 2 General Fund reserve, the city's saving account, exhausted in FY 2021
- 3 Fiscal insolvency in three fiscal years absent corrective action

# General Fund Revenue, Expense, and Fund Balance



# Background | Corrective Action

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**October 17, 2017 | Presented and used new model to test combinations of fiscal strategies drawn from four categories:**

- 1 Revenue-generating options
- 2 Service-reduction/elimination considerations
- 3 Service-delivery changes
- 4 Expenditure controls and cost shifts

**There was consensus support to consider pursuing tax rate increases to the RPTT and TOT**

# Background | RPTT and TOT

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- 1 Little to no impact on the cost of daily living for residents
- 2 RPTT effectively is a transaction tax, collected only upon the purchase of a real estate when ownership is transferred from seller to buyer
- 3 TOT, or hotel tax, is levied on the room rate charged to hotel or motel guests

# Hayward Tax Rates Compared to Other Jurisdictions

RPTT Rate for Cities in Alameda County

City	Value City Rate	General Law or Charter
Berkeley	\$15.00	Charter
Oakland	\$15.00	Charter
Alameda	\$12.00	Charter
San Leandro	\$6.00	Charter
Hayward	\$4.50	Charter
Union City	\$0.55	General Law

TOT Rate and Revenue per Capita for Bay Area Cities with a Population Greater Than 100,000

City	County	FY 2015 TOT Per Capita	TOT Rate
San Francisco	San Francisco	\$425.98	14.0%
Berkeley	Alameda	\$60.36	12.0%
Oakland	Alameda	\$52.26	14.0%
Fremont	Alameda	\$31.70	10.0%
Hayward	Alameda	\$16.50	8.5%
Antioch	Contra Costa	\$1.38	10.0%

# Community Engagement | Public Opinion Testing

- 1 Public opinion survey in November intended to assess feasibility
- 2 Individual and group discussions and presentations begun in February and led by City of Hayward executive leadership and Council members
- 3 Ongoing public awareness and listening survey initiated in April – including mailer with reply card and online at [www.haywardlistens.com](http://www.haywardlistens.com)
- 4 Planned public opinion survey ready to begin later this week to gauge public support for specific RPTT and TOT rate increases



**HAYWARD RESIDENTS:  
TELL US WHAT YOU THINK  
SURVEY INCLUDED**

# Hayward Listens Mailer Survey | Questions

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- 1 Is the City fulfilling its promise to provide essential city services? Answer options: Yes, no, or don't know
- 2 Are there other City services (beyond police, fire, library, street repairs and repaving and emergency response and preparedness) that are a priority for you?
- 3 What do you think about the proposals to increase the City's Transient Occupancy Tax, also known as the "Hotel Tax", and/or the City's Real Property Transfer Tax?  
Answer options: I support the City's proposals or I have concerns with opportunity for elaboration

# Hayward Listens | Results

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**598 total responses recieved and logged through May 28, 2018**

- 1** Is the City fulfilling its promise to provide essential services?
  - Yes – 303 (50.7%)
  - No – 135 (22.6%)
  - Don't Know – 160 (26.8%)
- 2** What do you think about the proposals to increase the TOT and RPTT?
  - I support the City's proposals – 266 (44.5%)
  - I have concerns – 332 (55.6%)

# Hayward Listens | Results

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## Is the City fulfilling its promise to provide essential city services?

*I believe they are doing a pretty good job providing services. I really appreciate that on my Street in Schaffer Park we now have a regular schedule for street sweeping with a required clearance of vehicles on cleaning days. Thank you*

## Comments from two residents who answered that they have concerns about the City's proposals?

*I support the hotel tax. I am concerned about the property tax since I may purchase more property in Hayward. Also, I may expand my current home and I am not sure how the tax would affect that additional square footage.*

*As long as it isn't coming out of the homeowners (Hayward's) pockets, that may help.*

# Planned Public Opinion Survey

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- 1 Drafted in consultation with and to be conducted by Godbe Research
- 2 Total survey sample of 600 registered voters reflected of anticipated November 2018 electorate
- 3 Carried out by telephone and online data collection via text and email starting as early as June 7, 2018
- 4 Will provide a statistically valid measure of public opinion and support approximately six months before the Nov. 6, 2018 election
- 5 Total cost of \$31,500

# Discussion | Possible Service Additions if Measures Pass

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**Council to provide feedback and prioritization on options:**

- 1 Additional Maintenance Crews
- 2 Disaster Management Staffing
- 3 Library Operating Hours
- 4 Homework Center Support
- 5 Social Services Funding

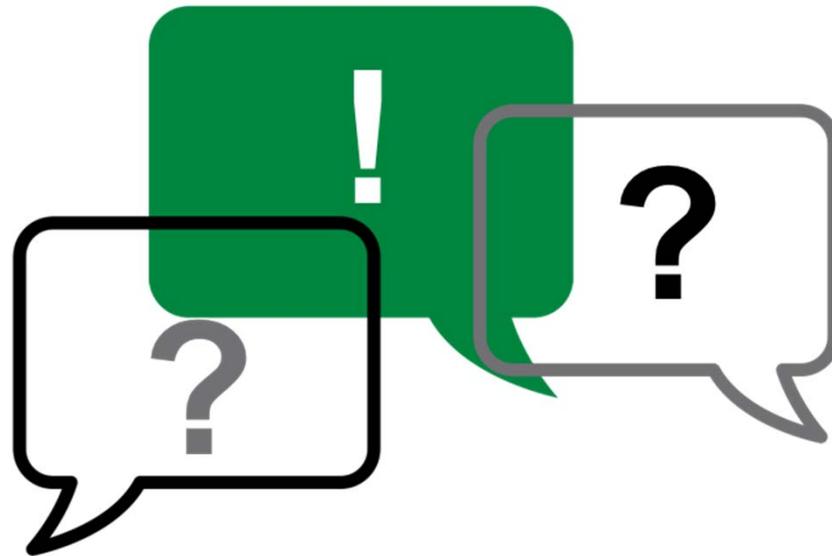
# Next Steps

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- 1 Public opinion survey starting as early as June 7
- 2 June 26: Godbe Research to deliver presentation of survey results
- 3 July 10: Public hearing and vote to potentially place RPTT and TOT rate increases on the Nov. 6, 2018, ballot

# Questions

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**ITEM 14 – LB 18-024**

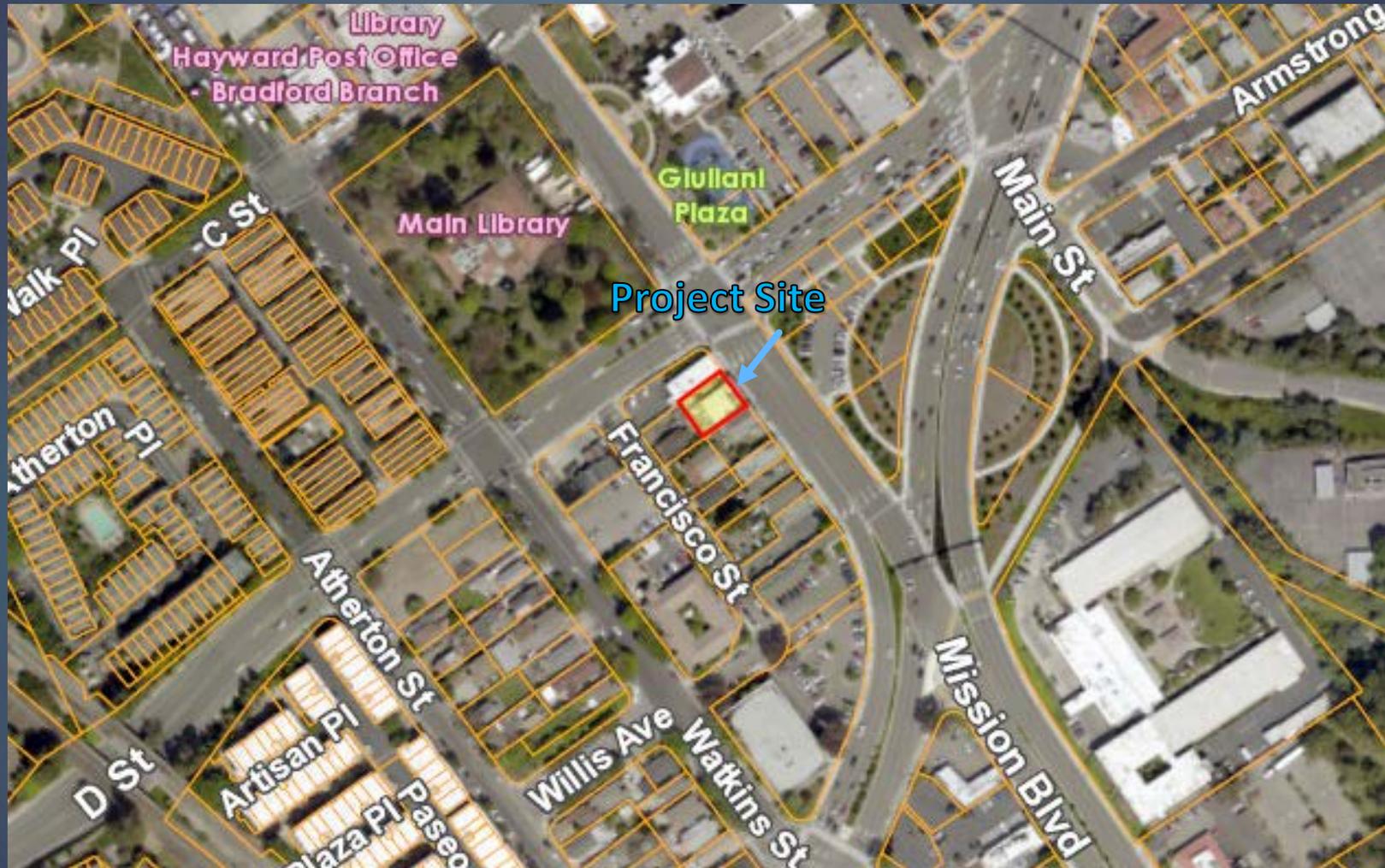
**TRANSFER OF PARTIAL OWNERSHIP OF THE  
PALACE POKER CASINO, LLC  
PER THE HAYWARD CARD CLUB REGULATIONS  
AND A CONDITIONAL USE  
PERMIT AMENDMENT RELATED TO THE  
PARKING MITIGATION FEE  
ASSOCIATED WITH THE PALACE CARD CLUB  
SHUTTLE LOCATED AT 22821  
MISSION BOULEVARD (APN 428-0081-033-00)  
CATHERINE AGANON  
AND PAMELA ROBERTS (OWNERS AND  
APPLICANTS)**



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## DEVELOPMENT SERVICES

# Palace Casino



# Background



- ▶ The Palace Card club has been in Hayward since approximately 1950
- ▶ In 2013, a Text Amendment was approved allowing for partial or wholesale ownership transfers and established a parking mitigation fee



# Request and Requirements



## REQUEST

- ▶ In 2017 received request to transfer partial ownership and extend parking mitigation fee

## REQUIREMENT

- ▶ Per HMC, ownership changes requires City Council and State Gaming Commission approval, and fee increase requires Planning Commission approval

# Staff Recommendation



The City Council adopt the Resolution approving the partial ownership transfer, as well as the increase to the parking mitigation fee, subject to the Conditions of Approval.

# Questions & Discussion

