

Cover Memo

File #: LB 20-030, Version: 1

**DATE:** June 30, 2020

- TO: Mayor and City Council
- **FROM:** Director of Finance

## **SUBJECT**

TOT (Hotel Tax) Ballot Measure: Direction on Potential November 2020 Transient Occupancy Tax Ballot Measure

## RECOMMENDATION

That the Council reviews prior polling and updated data for a potential revenue measure increasing the City's Transient Occupancy Tax (TOT) and directs staff to prepare proposed ballot measure language to be presented to Council for consideration.

## SUMMARY

In 2017, Council was presented with several strategies for consideration to ensure the City's long-term fiscal sustainability. One of the strategies presented to Council for consideration was the placement of an increase to Transient Occupancy Tax (TOT) on the November 2018 ballot. Under Council review and consideration, the increase to TOT was not placed on the November 2018 ballot, and is being considered for placement on the November 2020 ballot.

This report includes a comparative analysis of TOT rates and revenues in neighboring agencies, as well as presenting the results of 2017 voter polling in comparison with election results from Bay Area cities that have recently put ballot measures to voters. The analysis finds that Hayward has the lowest TOT rate and ranks eleventh in per-capita TOT revenues of the sixteen Bay Area cities with populations over 100,000. Past polling found that an increase to TOT was supported by approximately two-thirds of registered Hayward voters.

## ATTACHMENTS

| Attachment I  | Staff Report            |
|---------------|-------------------------|
| Attachment II | Timeline of TOT Actions |