



CITY OF HAYWARD

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Cover Memo

File #: ACT 22-120, **Version:** 1

DATE: November 16, 2022

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Transient Occupancy Tax (TOT) Review

RECOMMENDATION

That the Committee provides feedback on this analysis and considers whether or not to adjust the City's TOT rate that Hayward voters approved by passing Measure NN in November 2020, allowing for a rate up to 14 percent.

SUMMARY

This report provides a review of the City's current TOT rate, and consideration for increasing the TOT rate in accordance with Measure NN, a voter-approved ballot measure, which authorized Council to adjust the TOT rate from 8.5 percent up to a maximum of 14 percent. In November 2020, the City continued to balance the impacts related to the economic uncertainties around the COVID crisis. At that time, Council directed staff to keep the TOT rate at its current rate of 8.5 percent to allow hoteliers time to recover from the pandemic. Council requested that an adjustment to the TOT rate be reviewed and considered when the economy recovered from the impacts of the pandemic.

The report provides an overview of the TOT rate and consideration for adjusting the TOT rate from 8.5 percent up to no more than 14 percent.

ATTACHMENTS

Attachment I Staff Report