

HAYWARD CITY COUNCIL

RESOLUTION NO. 26-_____

Introduced by Council Member _____

RESOLUTION OF THE CITY OF HAYWARD ESTABLISHING NOVEMBER 3, 2026, AS THE DATE FOR AN ELECTION ON A PROPOSED BALLOT MEASURE SEEKING VOTER APPROVAL OF AN ORDINANCE TO MODERNIZE THE CITY OF HAYWARD BUSINESS LICENSE TAX, AND REQUESTING THE BOARD OF SUPERVISORS OF ALAMEDA COUNTY TO CONSOLIDATE SAID ELECTION WITH THE STATEWIDE GENERAL ELECTION; AUTHORIZING CERTAIN OTHER ELECTION ACTIVITIES; AND FINDING THAT THE ACTION IS EXEMPT FROM ENVIRONMENTAL REVIEW

WHEREAS, the Hayward City Council is authorized by California Elections Code Section 9222 to place measures before the voters; and

WHEREAS, Elections Code Sections 9281 through 9287 set forth the procedures for arguments in favor of and in opposition to any City ballot measure and for rebuttal arguments; and

WHEREAS, the City of Hayward, as a charter city, may impose a business license tax pursuant to its authority over municipal affairs as described in Article XI, Section 5 of the California Constitution; and

WHEREAS, the proposed business license tax to be submitted to the voters is a general tax that can be used for any legitimate governmental purpose, including but not limited to, neighborhood police protection, firefighting, 911 response, libraries, and pothole repair; and

WHEREAS, any general tax must be submitted to the electorate and approved by a majority vote, as specified in Article XIIC, Section 2 of the California Constitution and Government Code section 53723; and

WHEREAS, the City of Hayward adopted the current business license tax structure on July 11, 1978. This current system generates approximately \$3.3 million in revenue from about 10,000 business license payers; and

WHEREAS, the current tax structure is primarily based on flat annual fees applied by business categories, employee counts and limited gross receipt categories. As a result, many businesses within the same category pay similar taxes regardless of business size or revenue; and

WHEREAS, the ballot measure proposes a business license tax that uses a gross receipts-based structure intended to better align tax obligations with business size and revenue and features a more progressive framework that reflects differences in business scale and economic activity; and

WHEREAS, the proposed business license tax would generate an additional \$12 million annually with a minimum tax of \$60 and rates from \$.30 to \$3.75 per \$1,000 of gross receipts, with higher rates for higher-grossing businesses; and

WHEREAS, November 3, 2026, is the date of the Statewide General Election and it is desirable that the election on the City's ballot measure be consolidated with the Statewide General Election to be held on the same date; that within the City, the precincts, vote centers and election officers of the two elections be the same; and that the Alameda County Registrar of Voters canvass the returns of the consolidated election and that the election be held in all respects as if there were only one election; and

WHEREAS, the adoption of this Resolution is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq., "CEQA," and 14 Cal. Code Reg. §§ 15000 et seq., "CEQA Guidelines"). Under CEQA Guidelines section 15378(b)(4), the action is not a project within the meaning of CEQA because the ballot measure would create a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the city would undertake the required CEQA review for that particular project. Furthermore, this action is subject to the "common sense" exemption contained in section 15061(b)(3) of the CEQA Guidelines in that it can be seen with certainty that there is no possibility that adoption of the Resolution may have a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward:

1. Recitals. The foregoing recitals are true and correct and are hereby incorporated by reference.

2. Call Election; Placement of Measure on the Ballot. Pursuant to California Constitution Article XIIC, Section 2; Government Code Sections 53723 and 53724; and Elections Code Section 9222, the City Council of the City of Hayward hereby calls an election at which it shall submit to the qualified voters of the City, a measure that, if approved, would impose a business license tax that can be used for any legitimate governmental purpose. This measure shall be assigned a letter designation by the Alameda County Registrar of Voters. Pursuant to Election Code Section 10400 *et seq.*, the election for this measure shall be

consolidated with the established election to be conducted on November 3, 2026.

3. Ballot Language. The question to be presented to the voters shall be as follows:

<p>HAYWARD BUSINESS LICENSE TAX MODERNIZATION: Shall the measure updating the Hayward Business License Tax for the first time since 1978, to support general city services, including neighborhood police protection, firefighting, 911 response, libraries, and pothole repair, generating an additional \$12 million annually until repealed, with a minimum tax of \$60 and rates from \$.30 to \$3.75 per \$1,000 of gross receipts, with higher rates for higher-grossing businesses, as stated in the ordinance, be adopted?</p>	YES
	NO

4. Proposed Ordinance.

- a) That the proposed full text of the measure authorizing the general tax to be approved by the voters is attached hereto as Exhibit A. The City Council hereby approves the measure, the form thereof, and its submission to the voters of the City at the November 3, 2026 election. The full text of the ordinance will be accessible on the City of Hayward's website (www.hayward-ca.gov) or by contacting the City Clerk, and this will be referenced in the Voter Information Pamphlet.
- b) That the measure authorizing the general tax is subject to the approval of a majority (greater than 50%) of the voters voting on the measure, per California Constitution Article XIIC, Section 2 and Government Code section 53723.

5. Publication of Measure. The City Clerk is hereby directed to cause notice of the measure to be published once in the official newspaper of the City of Hayward, in accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code.

6. Request to Consolidate and Conduct Election and Canvass Returns.

(a) Pursuant to the requirement of Section 10403 of the Elections Code, the Board of Supervisors of Alameda County is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday November 3, 2026, for the purpose of placing the measure set forth in Sections 3 and 4 on the ballot.

(b) The Alameda County Registrar of Voters is authorized to canvass the returns of the municipal election. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used.

(c) The Alameda County Board of Supervisors is requested to issue instructions to the Alameda County Registrar of Voters to take any and all steps necessary for the holding of the consolidated election.

(d) The City of Hayward recognizes that additional costs will be incurred by the Alameda County Registrar of Voters because of this consolidation and agrees to reimburse the County for any costs.

7. Submission of Ballot Argument and Impartial Analysis to City Clerk.

(a) The last day for submission of direct arguments for or against the measure shall be by noon, 12:00 p.m. on August 10, 2026.

(b) The last day for submission of rebuttal arguments for or against the measure shall be by noon, 12:00 p.m. on August 14, 2026.

(c) Direct arguments shall not exceed three hundred (300) words and shall be signed by not more than five authors.

(d) Rebuttal arguments shall not exceed two hundred fifty (250) words and shall be signed by not more than five authors. The author of an argument may prepare and submit a rebuttal argument or may authorize in writing another person or persons to prepare, submit, or sign the rebuttal argument.

(e) The City Attorney shall prepare an impartial analysis of the measure by August 3, 2026, and such analysis shall not exceed five hundred (500) words.

(f) Pursuant to California Elections Code Section 9285, when the City Clerk has selected the arguments for and against the measure, which will be printed in the voter information guide, the City Clerk shall send a copy of the

argument in favor of the measure to the authors of the argument against the measure, and a copy of the argument against the measure to the authors of the argument in favor of the measure. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument, which it seeks to rebut.

8. Effective Date. This Resolution shall become effective immediately upon its adoption and the City Clerk is directed to send certified copies of the Resolution to the Alameda County Board of Supervisors and the Alameda County Registrar of Voters.

9. CEQA. The adoption of this Resolution is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq., "CEQA," and 14 Cal. Code Reg. §§ 15000 et seq., "CEQA Guidelines"). Under CEQA Guidelines section 15378(b)(4), the action is not a project within the meaning of CEQA because the ballot measure would create a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the city would undertake the required CEQA review for that particular project. Furthermore, this action is subject to the "common sense" exemption contained in section 15061(b)(3) of the CEQA Guidelines in that it can be seen with certainty that there is no possibility that adoption of the Resolution may have a significant effect on the environment.

IN COUNCIL, HAYWARD, CALIFORNIA, _____, 2026.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

EXHIBIT A
Proposed Ordinance