

BLUE RIBBON EQUITABLE TASK FORCE ACTION MINUTES - THURSDAY, JULY 08, 2021

Meeting was called to order at 6:04 pm by Chuck Maurer.

- 1. Roll Call:** Takata-Vasquez, Larsen, Katz, Kwamilele, Swafford, Williams, and Wanzo were present. Oke arrived at 6:50 pm. Moncada-Konte, Ortega, and Tsai were absent. There was a quorum.
- 2. Public Comment** – No speakers.
- 3. Approval of Draft Minutes from May 16, 2021, June 10, 2021, and June 24, 2021 Meetings.**

Vice Chair Larsen noted on the June 24th meeting that combined, should be combining.

Board Member Kwamilele stated her first name was misspelled. (Note from person creating minutes - no first names are used Tsai is referring to Task Force Member Tsai).

Board Member Swafford moved, seconded by Board Member Williams to approve the minutes with the correction of the word coming to combining and name correction.

Board polled as follows: Takata-Vasquez, Larsen, Katz, Kwamilele, Swafford, Williams, and Wanzo voted “aye.” Seven ayes – motion carried.

4. Calendar & Tentative Schedule

Staff Member Dang presented the remainder of the schedule for the Task Force. He noted the dates the Task Force would need to make their recommendations by, so that Staff would have enough time to write the reports and have them ready to be presented at the October Council meeting.

Discussion held regarding how the recommendations would not have to be presented at any committee meeting prior to Council.

5. Ad Hoc Committee Updates:

- A. Committee A – Job Quality & Employment – noted they had Grand Lake Kitchen and KIA of Oakland attend their meeting, where they provided in depth presentations regarding impacts to businesses. Take away’s – Grand Lake Kitchen noted business climate issues – taxes would not be a significant concern – issues were business climate issues. KIA spoke on behalf on “auto row” and noted they were against it, stated they were working with trying to bring in other automobile brands. Business climate issues (graffiti abatement, homelessness, etc). Concern for paying more taxes and still having to deal with the same business climate issues.

- B. Committee B – Business Mobility, Real Estate, Attraction & Retention discussed two topics. Incentives/rebates – is there money to enforce them – if not is there any reason to offer them. Should incentives be earned or given? Also progressive versus flat tax – reviewed presentation of the various ways to do progressive tax.

Discussion held pertaining to how a 72% tax increase would affect businesses if a flat tax was issued.

Discussion held concerning how Council had recommended a progressive tax and how that should be taken into consideration.

- C. Committee C – Tax Categories & Implementation – they discussed the model and what was involved in getting it generated. They reviewed and combined the business categories and to come up with three categories each with its own multiplier. It was noted that initially retail would see a reduction. They discussed looking at each line item and each category.

Review of the three-sub committee’s potential proposals.

Task Force Member Oke arrived at 6:50 p.m.

6. Staff Updates

- A. Tax Modeling – discussion of tax scenarios (Cont.).

Matthew Newman, Blue Sky Consulting, stated the subcommittee he worked with discussed what being a retail business was like within the City and how they would react to a tax increase.

Discussion held concerning how the models were not based on recommendations from the Task Force, they were showing different rates and the affects it would have on the money collected.

Discussion held how there were large variances in the retail category (Target vs. smaller privately owned store vs. restaurant).

Discussion held pertaining to how manufacturing, grocery and retail should contribute the most taxes.

Discussion held concerning how the concern should be focused on how mobile the business is and how much of an increase the business would be looking at rather than where the rate currently was.

Discussion held regarding how some businesses may be willing to pay more taxes as they received more benefits from it.

Discussion held relating to how many small businesses could only operate only one location within the City of Oakland.

Discussion held pertaining to how many businesses felt there were many challenges doing busy within the City of Oakland.

Discussion held concerning the franchise auto dealerships and there were distance requirements that would affect dealerships within the city.

Discussion held regarding the economic impact the manufacturing sector has on the City.

Discussion held pertaining to how public utilities would pass any tax increase onto the residents.

Discussion held concerning how Council in the resolution noted in the Resolution that created the Tax Force that they wanted to increase the amount of taxes collected, indicated the current tax structure was inequitable, and were looking for a progressive tax structure.

7. Agenda requests for future meetings

Discussion held regarding whether the sub committees wanted to discuss the use of a tax holiday and or a flat tax.

8. Open Forum

None.

9. Adjournment

Margaret adjourned the meeting at 7:45 p.m. Next meeting will be July 22, 2021 at 6:00 pm.