



FINANCE COMMITTEE ACTION MINUTES

Special Meeting
December 17, 2019

The Finance Committee of the City of Palo Alto met on this date in the Community Meeting Room at 6:01 P.M.

Present: Cormack, DuBois (Chair), Fine

Absent:

Agenda Items

1. Consideration, Evaluation, and Discussion of a Revenue Generating Local Tax Ballot Measure, Review of Refined Modeling, Analysis, Tax Structure, and Recommendation to the City Council.

VICE MAYOR FINE LEFT THE MEETING AT 7:00 P.M.

MOTION: Chair DuBois moved, seconded by Council Member Cormack to recommend to the City Council to gather information on voter expectation regarding: 1) a preference on a tiered tax versus a flat tax; 2) a preference on tiering by business use for office, retail, hotel or medical; and 3) a clear indication of whether the tax is placed on the business or property owner.

MOTION RESTATED: Chair Dubois moved, seconded by Council Member Cormack to recommend to the City Council to:

1. Consider the following taxes by preference: Employee Headcount Tax; Parcel Tax; or Parcel Tax by Square Footage and then Business Tax by Square Footage;
2. Suggest an escalator as a preference;
3. Have there be no sunset;
4. Have online and administratively easy filing available, including having some ability to enforce the filings;
5. Have the decision on a specific tax or general tax be informed by polling;

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6. Direct Staff to work on a metric stating the average dollars by the number of employees, regardless of exemptions, tier, or whatever the rate structure may be in the comparable cities in the matrix report;
7. Have polling inform who is being taxed, the tiered versus flat rate, as well as tiered by business use, to develop a use of funds; and
8. Begin to develop a use of funds including potential projects.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to have the Finance Committee meet every two weeks to finalize ballot discussions.

MOTION PASSED: 2-0 Fine absent

Adjournment: The meeting was adjourned at 7:38 P.M.