

CITY OF OAKLAND

Interoffice Letter

To: City Manager Attention: Craig Kocian

Date: July 27, 1993

From: Budget Office

Subject: First Public Hearing on Tax Ordinances for 1993-94

Background

On June 8, 1993-94, the City provided public notice of proposed increases in three of the City's taxes for the proposed budget for 1993-94. On June 22, 1993, the City Council held a public hearing on the proposed tax increases and on June 29, 1993, the City Council adopted the budget for 1993-94 which included revenues to be derived from the tax increases. In conformance with the 45-day notice requirements of the Brown Act, the ordinances have been scheduled for their first reading.

The ordinances would:

- ▶ Increase the utility consumption tax rate from 6.8 to 7.5 percent and extend the tax to cellular telecommunications, generating \$3.7 million in additional revenue;
- ▶ Increase the transient occupancy tax rate from 10 to 11 percent, generating \$520,000 in additional revenue; and
- ▶ Increase the real estate transfer tax rate from 1.25 to 1.5 percent, generating \$1.9 million in additional revenue.

The estimated revenues from these tax increases have been included in the 1993-94 budget so passage of ordinances is essential to maintaining a balanced budget for 1993-94.

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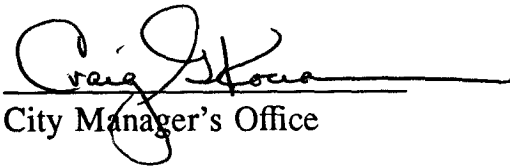
Recommendation

That the City Council hold the first reading of the three ordinances.

Glen Tepke For

Dolores E. Blanchard
Budget Manager

Approved for Forwarding
to the City Council:


City Manager's Office

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