

BUDGET AND FINANCE COMMITTEE REPORT relative to revenue generation opportunities, including a review of the City's four-year budget outlook.

Recommendations for Council action, as initiated by Motion (Yaroslvasky – McOsker – Padilla – Harris-Dawson):

INSTRUCT the City Administrative Officer (CAO) and the Office of Finance, with the assistance of the Chief Legislative Analyst (CLA), to report on revenue generation opportunities, said report to include a review of the City's four-year budget outlook with current estimated revenues and estimated expenditures directly compared to the revenue generation opportunities and expenditures compounded over time, and:

- a. Including not only revenue generation, but also revenues saved, such as by returning responsibility for sidewalk repairs to property owners upon sale of property.
- b. Administrative clarification of language on transit occupancy tax.
- c. Engagement of stakeholders regarding temporary or complete increase of transit occupancy tax with upcoming citywide events, such as the Olympics.
- d. Implementation of a selected Mello-Roos Community Facilities Districts (CFDs) strategy, with significant public engagement.
- e. Provide insight of CAO reports from 2011 and 2012 to discuss best practices from a prior economic downturn.
- f. Include information on infrastructure bond, including services for Fire and Recreation and Parks.
- g. Increase the base formula in the Charter for Recreation and Parks.
- h. Include an expiration of benefits of a tax amnesty program.
- i. Expansion of cannabis related businesses.
- j. Property tax revenue impact due to the recent fires.
- k. Timing to add ballot measures for June and November 2026 elections.
- l. Report to be presented in 45 days.

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted

Summary:

On January 21, 2025, your Committee considered Motion (Yaroslvasky – McOsker – Padilla – Harris-Dawson) relative to instructing the CAO and the Office of Finance, with the assistance of the CLA, to report on revenue generation opportunities; and that said report include a review of the City's four-year budget outlook with current estimated revenues and estimated expenditures directly compared to the revenue generation opportunities and expenditures compounded over time.

Representatives from the office of the CLA, CAO, Office of Finance, provided an overview and replied to questions posed by members of the Committee.

After providing an opportunity for public comment, the Committee moved to approve the recommendation in the Motion, as amended, as stated above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,  
BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**