



**CITY OF OAKLAND  
BLUE RIBBON EQUITABLE BUSINESS TAX TASKFORCE**

**REGULAR MEETING  
Meeting Agenda  
Thursday, June 24, 2021  
6:00 PM  
Via Teleconference**

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Blue Ribbon Equitable Business Tax Taskforce Members:

Michael Katz  
Taison Kwamilele  
Cynthia Larsen – **Vice Chairperson**  
Jessica Moncada Kone  
Zain Oke  
Liz Ortega  
Daniel Swafford  
Ari Takata-Vasquez - **Chairperson**  
Minh Tsai  
Ben Wanzo  
Winter Williams

Task Force website: [City of Oakland | Blue Ribbon Equitable Business Tax Task Force](#)

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**Pursuant to the Governor's Executive Order N-29-20, Blue Ribbon Equitable Business Tax Taskforce Members, as well as City staff, will participate via phone/video conference, and no physical teleconference locations are required.**

**PUBLIC PARTICIPATION**

The Oakland Blue Ribbon Equitable Business Tax Taskforce encourages public participation in the online board meetings. The public may observe and/or participate in this meeting in several ways.

**OBSERVE:**

- To observe the meeting by video conference, please click on this link:  
<https://us02web.zoom.us/j/83616493506?pwd=djZxTTRxc3FKSHR4aDUzYnJHQzQvZz09>  
Passcode: 384984 at noticed time.

Instructions on how to join a meeting by video conference are available at:  
<https://support.zoom.us/hc/en-us/articles/201362193>, which is a webpage entitled “Joining a Meeting”

- To listen to the meeting by phone, please call the numbers below at the noticed meeting time:  
Dial (for higher quality, dial a number based on your current location):

One tap mobile :

[US: +16699006833,,83616493506#,,,,\\*384984#](tel:+16699006833,,83616493506#,,,,*384984#) or  
[+12532158782,,83616493506#,,,,\\*384984#](tel:+12532158782,,83616493506#,,,,*384984#)

Or Telephone:

US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592 or +1 312 626 6799 or +1 929 205 6099

Webinar ID: 836 1649 3506

Passcode: 384984

International numbers available: <https://us02web.zoom.us/j/kxadPAqUZ>

After calling any of these phone numbers, if you are asked for a participant ID or code, press #. Instructions on how to join a meeting by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting By Phone.”

**PROVIDE PUBLIC COMMENT:** There are three ways to make public comment within the time allotted for public comment on an eligible Agenda item.

- **Comment in advance:** To send your comment directly to the Blue Ribbon Equitable Business Tax Taskforce and staff BEFORE the meeting starts, please send your comment, along with your full name and agenda item number you are commenting on, to [BlueRibbonTaskForce@oaklandca.gov](mailto:BlueRibbonTaskForce@oaklandca.gov). Please note that eComment submissions close one (1) hour before posted meeting time. All submitted public comment will be provided to the Task Force Members prior to the meeting.
- **By Video Conference:** To comment by Zoom video conference, click the “Raise Your Hand” button to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. You will then be unmuted, during your turn, and allowed to participate in public comment. After the allotted time, you will then be re-muted. Instructions on how to “Raise Your Hand” are available at: <https://support.zoom.us/hc/en-us/articles/205566129>, which is a webpage entitled “Raise Hand In Webinar.”
- **By Phone:** To comment by phone, please call on one of the above listed phone numbers. You will be prompted to “Raise Your Hand” by pressing STAR-NINE (“\*9”) to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. Once it is your turn, you will be unmuted and allowed to make your comment. After the allotted time, you will be re-muted. Instructions of how to raise your hand by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting by Phone.”

If you have any questions about these protocols, please e-mail [BlueRibbonTaskForce@oaklandca.gov](mailto:BlueRibbonTaskForce@oaklandca.gov)

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Do you need an ASL, Cantonese, Mandarin or Spanish interpreter or other assistance to participate? Please email [SAzimi@oaklandca.gov](mailto:SAzimi@oaklandca.gov) or call (510) 238-2972 for TDD/TTY five days in advance.

¿Necesita un intérprete en español, cantonés o mandarín, u otra ayuda para participar? Por favor envíe un correo electrónico a [SAzimi@oaklandca.gov](mailto:SAzimi@oaklandca.gov) o llame al (510) 238-2972 para TDD/TTY por lo menos cinco días antes de la reunión. Gracias.

您需要手語, 西班牙語, 粵語或國語翻譯服務嗎? 請在會議前五個工作日電郵 [SAzimi@oaklandca.gov](mailto:SAzimi@oaklandca.gov) 或 致電 (510) 238-2972 TDD/TTY.

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- 1. Roll Call and Determination of Quorum**
  - 2. Public Comment:** Speakers will be called on by the facilitator as speakers “raise their hand” through video conference or by telephone to speak on Agenda items. Comments for matters not on the Agenda will be taken during Open Forum. All speakers will be allotted a maximum of two minutes to address the Task Force, unless amended by the Chair.
  - 3. Approval of Draft Minutes from the May 13, 2021 Meeting**
  - 4. Ad Hoc Committees Updates:** Task Force will discuss the progress of Ad Hoc Committees.
    - A. Committee A, Job Quality & Employment
    - B. Committee B, , Business Mobility, Real Estate, Attraction & Retention
    - C. Committee C, Tax Categories & Implementation
  - 5. Staff Updates:**
    - A. Tax Modeling: Discussion of Tax Scenarios
  - 6. Agenda Requests for Future Meetings**

Task Force Members may use this opportunity to address new issues for Task Force business. New items will be referred to an Ad Hoc Committee for action, outreach, research and/or deliberation or scheduled to a subsequent Task Force meeting.
  - 7. Open Forum**
  - 8. Adjournment**

The meeting will adjourn upon the completion of the Task Force’s business.
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## **BLUE RIBBON EQUITABLE TASK FORCE ACTION MINUTES - THURSDAY, MAY 13, 2021**

Meeting was called to order at 6:09 pm by Margaret O'Brien.

1. **Roll Call:** Takata-Vasquez, Larsen, Katz, Moncada Kone, Kwamilele, Ortega, Swafford, Williams, and Wanzo were present. Oke and Tsai were absent. There was a quorum.
2. **Public Comment** – No speakers.
3. **Approval of Draft Minutes from April 22, 2021 Meeting**

*Vice-Chair Larsen moved, seconded by Board Member Ortega to approve the minutes of the April 22, 2021 meeting.*

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

### **4. Informational Items**

#### **A. Presentation regarding Potential Impact from Changes to Business Tax**

Matt Newman, Blue Sky Consulting group provided a presentation that would cover factors that influence business location decisions, considerations for changing the business tax, and preliminary Oakland employment statistics.

Factors that Influence business location decisions:

1. Cost – labor (availability/cost), labor regulations
2. Occupancy costs/rent
3. Taxes – business license, property tax, sales tax (vary across regions/states); corporate and personal income tax (vary across states)
4. Consumer demand – proximity to and income of potential consumers
5. Intangibles – quality of life, municipal services, CEO/Owner preferences

Some Businesses are more mobile than others.

1. Are customers local/regional/national – businesses that compete locally are less likely to move in response to cost increases because cost increases will affect all competitors and businesses.
2. Businesses with regional/national competitors are less able to pass on costs and may not need access to local customers.
3. What are the costs of moving – labor intensive businesses may lose access to relevant labor pools, landlords cannot move buildings, and manufacturers with significant investments in fixed plant and equipment.

Do taxes matter? Per surveys – taxes never ranked as the most important factor – regardless of business size or sector but are reported as more important than other issues.

Taxes importance vary on type of business. Empirical research shows studying a casual impact of tax change was difficult but show taxes do play a role in business location and expansion decisions.

Task Force identified job quality and potential job gains/losses as important factors when evaluating potential business tax changes; businesses currently required to report only the basis for business taxes (gross receipts or total payroll); employment estimates can be calculated using public data.

Discussion held regarding how other taxes besides the business tax increase could affect the total tax burden.

Discussion held relating to how most business pay more than one tax.

#### Preliminary Oakland Employment Statistics

1. Task force identified job quality and potential job gains/losses as important factors to consider when evaluating potential changes to business tax.
2. Oakland businesses are currently required to report only the bases for business taxes.
3. Employment estimates can be calculated using public data (census, data from total receipts- payroll-number of employees), business tax categories mapped to NAIC's codes using the reported gross receipts to construct preliminary employment estimates.

Discussion held regarding employment by size of business and categories they fall into.

Discussion held pertaining to whether it was possible to determine the amount of business tax each business pays.

Discussion held relating to the questions the task force could ask which sector could/should be taxed more and how progressive should the new business tax be.

Discussion held concerning an updated business tax – tax could vary in degree of progress within each category and in the extent to which rates differ across categories.

Discussion held concerning how incentives would be a good option for the City of Oakland.

Discussion held regarding how the City of Oakland was looking at the new business Tax so it could be implemented before other local municipalities – as most would not be looking into changes for another year.

#### **5. Action Items:**

##### **A. (Continued from the 4/29/2021 Taskforce meeting) Ad Hoc Committee Assignments**

Discussion held pertaining to how an email was sent to ask if the Task Force if they were ok to share their email address with the other Task Force members.

Discussion held concerning the Brown Act and how each member needed to keep it in mind if corresponding other members.

Discussion held regarding holding the ad-hoc meetings for the weeks when the task force was not meeting.

Board Member Ortega advised she was not at prior meeting and wanted to join an ad-hoc committee.

Chair Vasquez-Takata noted the committees were: A was job quality and employment, B was business mobility, real estate, attraction/retention, and C was tax category, implementation i.e.: tax holiday.

***Chai Vasquez-Takata moved, seconded by Board Member Kwamilele to add Board Member Ortega to Committee C.***

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

Vice Chair Larsen noted her ad hoc committee C discussed business license rates and progressive categories. (i.e.: length and time in business, location within the city, business square footage). Also discussed elimination of business license or providing small businesses or pandemic impacted businesses with a tax holiday in lieu of just eliminating. Discussed bringing in city interested parties to share thoughts on rates/sectors.

Chair Vasquez-Takata requested that ad-hoc committees meet at least meet once and report at the next meeting.

Board Member Kwamilele requested that ad-hoc meetings submit written notes from their meetings to be included with the agenda.

**6. Open Discussion** – Task Force will discuss their business tax priorities and potentially delegate research items to staff and ad hoc committees for research and analysis.

**7. Agenda Requests for Future Meetings**

No requests.

**8. Open Forum**

No Comment.

**9. Adjournment**

Margaret adjourned the meeting at 8:09 p.m. Next meeting will be May 27, 2021 at 6:00 pm.