



Office of the City Manager

CONSENT CALENDAR  
September 20, 2022

To: Honorable Mayor and Members of the City Council  
 From: Dee Williams-Ridley, City Manager  
 Submitted by: Henry Oyekanmi, Director, Finance Department  
 Subject: 2023 Tax Rate: Transportation Network Company User Tax

RECOMMENDATION

Adopt first reading of an Ordinance setting the 2023 tax rate (effective January 1, 2023) for the transportation network company user tax at the following rates: 53.775 cents on the user for each prearranged trip that originates in the City that is not part of a pooled prearranged trip and 26.249 for each pooled prearranged trip on each user who arranges each prearranged trip that originates in the City and which comprises part of the pooled prearranged trip.

FISCAL IMPACTS OF RECOMMENDATION

The tax levy of the recommended 53.775 cents for each non-pooled prearranged trip and 26.249 cents on each user for each pooled prearranged trip will result in estimated collections of \$978,705.

CURRENT SITUATION AND ITS EFFECTS

The 2022 tax of 50 cents tax per each non-pooled prearranged trip and the 25 cents tax per each pooled prearranged trip is being adjusted by the Personal Income Growth of 7.550% as authorized on November 3, 2020 by voter approved Measure GG as the voters approved the greater of the Consumer Price Index in the immediate San Francisco Bay Area of 4.996% or Personal Income Growth increase in California of 7.550%

BACKGROUND

On November 3, 2020, over 66% of Berkeley voters approved Measure GG which authorized a transportation network company user tax for prearranged trips for private and pooled trips for general municipal services in the City until January 1, 2041.

The tax may be increased or decreased annually in May, according to the greater of the increase or decrease in the cost of living in the immediate San Francisco Bay Area or personal income growth in the state of California, as verified by official United States economic report.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental opportunities or impacts associated with the subject of this report.

ALTERNATIVE ACTIONS CONSIDERED

The fiscal impact on general municipal services of forgoing an adjustment to the fiscal year's transportation network company user tax would be a reduction of \$68,705 in estimated collections.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7326

Attachments:

1: Ordinance

ORDINANCE NO. -N.S.

IMPOSING A GENERAL TAX ON USERS OF TRANSPORTATION NETWORK COMPANIES AT A RATE OF 53.775 CENTS FOR PRIVATE TRIPS AND 26.249 CENTS FOR POOLED TRIPS

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The 2023 Tax Rate, effective January 1, 2023, to fund general municipal services is set at 53.775 cents for private trips and 26.249 for pooled trips.

Section 2. This tax rate will result in estimated total collections of \$978,705.

Section 3. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

