



DATE: June 25, 2026

TO: City Council

CC: City Manager, Assistant City Manager, City Attorney

FROM: Neetu Salwan, City Clerk

SUBJECT: Post-Publication Supplemental Materials

The following materials have been published for the June 25, 2026, Regular City Council meeting and were not included in the agenda packet published on June 18, 2026.

- **Revised Material for agenda Item F.3** – Adopt a resolution approving the 2026-2028 Biennial Budget
- **Presentation for agenda item F.3** – Adopt a resolution approving the 2026-2028 Biennial Budget
- **Presentation for agenda item F.4** – Provide direction regarding potential placement of proposed ballot measure updating business license tax and receive an overview of business/stakeholder engagement and feedback regarding proposed ballot measure
- **Public Comment for agenda Item F.2** – Conduct a study session to receive information and provide feedback on a development concept proposal for 8000 and 8100 Jarvis Avenue

Printed copies of the corrected pages will also be available at the dais and for public review in the lobby.



DATE: June 25, 2026

TO: City Council

CC: City Manager, Assistant City Manager, City Attorney

FROM: Neetu Salwan, City Clerk

SUBJECT: Item F.3 Adopt a resolution approving the 2026-2028 Biennial Budget

After distribution of the City Council packet, staff identified administrative corrections to the 2026–2028 Biennial Budget PDF.

Pages 9, 130, and 134 are corrected as follows:

Page 130, Public Works Authorized Staffing, is corrected to show 3.00 Associate Civil Engineer FTEs instead of 2.00 FTEs. This correction aligns the staffing schedule with prior Council-authorized staffing and classification actions, including Resolution No. 11,737.

Pages 9 and 134 are corrected to change the Recreation & Community Services classification title from Recreation Specialist to Recreation Assistant. This correction aligns the budget transmittal narrative with the authorized staffing schedule.

These corrections are administrative in nature and do not create new positions, change the fiscal recommendation, or require additional budget appropriation.

Printed copies of the corrected pages will also be available at the dais and for public review in the lobby.

Consistent with the 2025 Community Survey results, residents continue to identify infrastructure maintenance, traffic circulation, parks and recreational amenities, development services, and emergency preparedness as top City service priorities. These priorities continue to guide the City's operational planning, capital investment strategies, and long-term financial planning efforts.

The first year of the Capital Improvement Program includes 61 new projects totaling approximately \$32.4 million across infrastructure, parks, facilities, equipment, technology, and planning initiatives. Major infrastructure investments include approximately \$9.3 million for projects such as the Thornton Avenue Pavement Overlays, Old Town Priority Development Area (PDA) Streetscape Improvements, and Broadband Initiative. Planned park improvement projects total approximately \$8.0 million and include the Birch Grove Park Playground, Newark Community Park All Abilities Playground, and new park signage improvements.

Facilities-related projects total approximately \$4.9 million and include various facility improvements, as well as initial planning and construction activities associated with the Fire Stations 27 and 29 Reconstruction Project. The CIP also includes approximately \$1.3 million in equipment replacement and acquisition, primarily supporting Police and Public Works operations. In addition, approximately \$1.9 million is allocated toward planning and policy studies, including the Urban Forest Master Plan, Four Corners Area Plan, and NewPark Place Specific Plan Enhancement, funded through the Community Development Maintenance Fee Fund.

In FY 2028, the second fiscal year of the Capital Improvement Program, 16 projects are planned totaling approximately \$7.9 million. Key projects include Pedestrian Hybrid Beacon installations, Traffic Signal Interconnect improvements, sports field lighting and amenity upgrades, initial work associated with the Service Center Administrative Building Replacement Project, and various Public Works and Police equipment replacement projects.

FY 2027 Budget Highlights

The FY 2027 General Fund Operating Budget totals approximately \$92.2 million, compared to the FY 2026 projected expenditure level of \$97.5 million and the FY 2026 Amended Budget of \$97.6 million. The reduction is primarily attributable to one-time General Fund transfers made in FY 2026 to support capital projects and infrastructure investments within the Capital Improvement Program. Future transfers to support capital projects will continue to be evaluated annually based on year-end operating results, reserve levels, infrastructure priorities, and overall fiscal conditions.

Personnel expenditures are projected at approximately \$47.6 million and continue to represent the City's largest operating expenditure category. Personnel costs reflect negotiated labor agreements, pension obligations, healthcare costs, inflationary adjustments, and strategic staffing investments necessary to maintain service levels and respond to increasing operational demands.

Non-personnel expenditures are budgeted at approximately \$24.3 million and include contractual services, materials and supplies, utilities, travel and training, technology costs, and internal service fund allocations. While inflationary pressures continue to impact operational costs, departments have continued to exercise prudent spending controls and cost management efforts where feasible. The Alameda County Fire Department (ACFD) service contract is projected at approximately \$15.4 million in FY 2027, reflecting continued regional public safety cost escalation.

In FY 2027, the City will also initiate a community-focused branding effort intended to help develop and strengthen Newark's civic identity and community engagement efforts. In addition, the budget includes targeted staffing additions, including a Senior Management Analyst, two Administrative Support Specialists, a Principal Planner, and two Recreation Assistants. These positions are intended to support increasing service demands, operational workloads, development activity, and organizational capacity across multiple departments.

AUTHORIZED STAFFING

Classification	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<u>Regular Full-Time Equivalent</u>					
Administrative Support Specialist II	1.00	1.00	1.00	1.00	1.00
Assistant Engineer - Civil	1.00	1.00	1.00	1.00	1.00
Associate Civil Engineer	2.00	3.00	3.00	3.00	3.00
Building Inspector I/II	3.00	3.00	3.00	3.00	3.00
Building Maintenance Mechanic I	-	1.00	1.00	1.00	1.00
Building Maintenance Mechanic II	2.00	1.00	1.00	1.00	1.00
Chief Building Official	1.00	1.00	1.00	1.00	1.00
City Engineer	1.00	1.00	1.00	1.00	1.00
Engineering Technician I	1.00	1.00	1.00	1.00	1.00
Environmental Services Manager	1.00	1.00	1.00	1.00	1.00
Equipment Mechanic I	-	1.00	1.00	1.00	1.00
Equipment Mechanic II	2.00	2.00	1.00	1.00	1.00
Facilities Supervisor	1.00	1.00	1.00	1.00	1.00
General Laborer	3.00	3.00	3.00	3.00	3.00
Junior Engineer	1.00	-	-	-	-
Landscape & Park - Maintenance Worker I	2.00	2.00	2.00	2.00	2.00
Landscape & Park - Maintenance Worker II	2.00	2.00	2.00	2.00	2.00
Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00
Maintenance Supervisor	2.00	2.00	2.00	2.00	2.00
Management Analyst I	-	1.00	1.00	1.00	1.00
Management Analyst II	1.00	1.00	1.00	1.00	1.00
Permit Technician	1.00	1.00	2.00	2.00	2.00
Principal Civil Engineer	1.00	1.00	1.00	1.00	1.00
Public Works Director	1.00	1.00	1.00	1.00	1.00
Public Works Inspector	1.00	1.00	1.00	1.00	1.00
Senior Administrative Support Specialist	2.00	1.00	1.00	1.00	1.00
Senior Building Inspector	1.00	1.00	1.00	-	-
Senior Building Inspector/Supervising Building Inspector	-	-	-	1.00	1.00
Senior Building Mechanic	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	2.00	2.00	1.00	1.00	1.00
Senior Equipment Mechanic	1.00	1.00	1.00	1.00	1.00
Senior Landscape & Parks Maintenance Worker	2.00	2.00	2.00	2.00	2.00
Senior Landscape Inspector	1.00	-	-	-	-
Senior Street Maintenance Worker	1.00	1.00	1.00	1.00	1.00
Street Maintenance Worker I	1.00	1.00	2.00	2.00	2.00
Street Maintenance Worker II	2.00	1.00	1.00	1.00	1.00
Urban Forest Supervisor	-	1.00	1.00	1.00	1.00
Subtotal:	46.00	46.00	46.00	46.00	46.00
<u>Temporary Full-Time Equivalent</u>					
Capital Project Manager	-	-	-	1.00	1.00
Office Assistant I	-	1.00	1.00	1.00	1.00
Special Assistant	-	0.25	0.25	-	-
General Maintenance Worker III	1.00	1.50	1.50	1.50	1.50
Subtotal:	1.00	2.75	2.75	3.50	3.50
TOTAL	47.00	48.75	48.75	49.50	49.50

AUTHORIZED STAFFING

Classification	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<u>Regular Full-Time Equivalent</u>					
Administrative Assistant	0.50	0.75	-	-	-
Administrative Support Specialist II	2.00	2.00	2.00	3.00	3.00
Childcare Instructor	4.00	4.00	4.00	4.00	4.00
Lead Childcare Instructor	1.00	-	-	-	-
Management Analyst I/II	-	-	1.00	1.00	1.00
Recreation & Community Services Director	1.00	1.00	1.00	1.00	1.00
Recreation & Community Supervisor I	1.00	2.00	2.00	2.00	2.00
Recreation & Community Supervisor II	1.00	1.00	1.00	1.00	1.00
Recreation Coordinator	5.00	6.00	6.00	6.00	6.00
Recreation Assistants	-	-	-	2.00	2.00
Subtotal:	15.50	16.75	17.00	20.00	20.00
<u>Seasonal/Temporary Full-Time Equivalent</u>					
General Recreation Services					
Activity Coordinator	0.50	2.00	2.00	2.00	2.00
Customer Service Representative	0.20	0.50	0.50	0.50	0.50
Preschool Instructor	2.00	2.00	2.00	2.00	2.00
Recreation Instructor	0.03	2.00	2.00	2.00	2.00
Recreation Leader I	1.75	1.75	1.75	1.75	1.75
Teen Activity Coordinator	1.00	0.50	0.50	0.50	0.50
Youth/Adult Sports, Fitness, & Wellness					
Activity Coordinator	0.16	1.00	1.00	1.00	1.00
Dance Instructor	1.00	-	-	-	-
Recreation Instructor	-	1.00	1.00	1.00	1.00
Recreation Leader I/II	1.26	2.26	2.26	2.26	2.26
Special Assistant	0.05	0.50	0.50	0.50	0.50
Sports Official	0.09	-	-	-	-
Family Aquatic Center					
Activity Coordinator	-	2.00	2.00	2.00	2.00
Aquatic Instructor	5.00	5.00	5.00	5.00	5.00
Cafe Worker I/II	1.00	-	-	-	-
Customer Service Representative	4.00	4.50	4.50	4.50	4.50
Lifeguard I/II	12.00	9.00	9.00	9.00	9.00
Pool Technician	1.00	2.00	2.00	2.00	2.00
Program Coordinator	2.00	-	-	-	-
Recreation Leader II	0.71	0.71	0.71	0.71	0.71
Senior Lifeguard	2.75	3.00	3.00	3.00	3.00
Licensed Childcare					
Preschool Instructor	0.75	0.50	0.50	0.50	0.50
Senior Services					
Recreation Leader	0.50	1.50	1.50	1.50	1.50
Subtotal:	37.75	41.72	41.72	41.72	41.72
TOTAL	53.25	58.47	58.72	61.72	61.72



**2026–2028
Biennial Budget
Adoption**

June 25, 2026



2026-2028 Biennial Budget

Summary and Recommendation

Summary:

- The 2026–2028 Biennial Operating Budget supports City Council priorities for FY 2026–27 and FY 2027–28 and provides the appropriation framework for City operations and services.

Recommendation:

- Staff recommends that the City Council adopt, by resolution, the 2026–2028 Biennial Operating Budget as presented.



2026-2028 Biennial Budget

Dedicated Budget Work Sessions and City Council Meetings

- **March 26, 2026:** Staff presented an overview of the City’s budget process, economic trends, financial updates, the Five-Year Forecast, and department priorities.
- **May 28, 2026:** Staff presented the draft 2026–2028 Biennial Budget for Council feedback and public input.
- **June 25, 2026:** Staff presents the final 2026–2028 Biennial Operating Budget for City Council consideration and adoption.

Specific Edits Incorporated

Transmittal and Budget Presentation Updates:

- Updated budget highlights, transmittal language, and FY 2026–27 and FY 2027–28 narratives.
- Updated final budget assumptions, current financial projections, and appropriation amounts.

Five-Year Forecast Updates:

- Reflected current actuals and revised revenue estimates and fund balance projections.
- Refined personnel and non-personnel expenditure assumptions.

Near-term revenue assumptions were refined based on updated projections and current financial data.



2026-2028 Biennial Budget

Specific Edits Incorporated

General Fund Budget Updates

- FY 2025–26 projected General Fund expenditures refined to approximately \$97.5 million.
- FY 2026–27 General Fund Operating Budget totals approximately \$92.2 million.
- FY 2027–28 General Fund Operating Budget totals approximately \$96.7 million.

Near Term Forecast Improvement

- FY 2026–27 operating result before transfers = **\$1.76 million**
- FY 2027–28 operating result before transfers = **\$20,000**

Near-term projections improved; however, operating pressure remains beyond the biennial budget period

Specific Edits Incorporated

Vacancy Factor Refinement

- Personnel expenditures were refined to apply vacancy assumptions only where vacancies are budgeted or reasonably anticipated.
- Applied assumptions based on current vacancies, recruitment timing, and historical vacancy trends.
- Avoided across-the-board reductions in departments without expected vacancies.
- Recognizes vacancy savings as a short-term budget assumption, not a sustainable long-term balancing strategy.



2026-2028 Biennial Budget

Specific Edits Incorporated

Department Budget Updates

- Updated department tables to align with the final budget model.
- Refined personnel assumptions, non-personnel baselines, internal service allocations, and technical corrections.
- Updated the City Council department budget to include the proposed 7.5% compensation increase.



Specific Edits Incorporated

Debt Service Overview

- Added debt-service transparency for the Energy Conservation Assistance Act (ECAA) LED project.
- Projected annual energy savings of more than \$240,000.
- Annual debt service of approximately \$105,243.

Estimated Net Annual Benefit: approximately \$135,000



2026-2028 Biennial Budget

Summary of Key Financial Changes:

Section	May - Draft	June - Final	Net Change	Reason for Update
Mayor and City Council Budget	\$374,600	\$395,400	+ \$20,800	Reflects 7.5% compensation adjustment
FY 2025–26 GF Projection	\$99.7M	\$97.5M	– \$2.2M	Refined year-end estimate
GF Operating Budget FY 2026–27	\$92.0M	\$92.2M	+ \$0.2M	Updated assumptions
GF Operating Budget FY 2027–28	\$95.8M	\$96.7M	+ \$0.9M	Updated assumptions
FY 2026–27 Ending Unallocated Fund Balance	\$1.58M	\$4.46M	+ \$2.88M	Improved projected available balance
FY 2027–28 Ending Unallocated Fund Balance	\$0.08M	\$3.78M	+ \$3.70M	Improved projected available balance

Final budget updates reflect refined assumptions, improved fund balance projections, and incorporation of Council feedback.



2026-2028 Biennial Budget

Updated Five-Year Financial Forecast:

	FY 2025-26 Estimated Actual	FY 2026-27 Forecast	FY 2027-28 Forecast	FY 2028-29 Forecast	FY 2029-30 Forecast	FY 2030-31 Forecast
REVENUE SOURCES						
Property Tax	34.90	36.16	37.79	39.48	41.27	43.13
Sales Tax	16.50	16.45	16.65	16.96	17.46	17.97
Measure GG	8.99	7.74	7.90	8.11	8.31	8.51
Transient Occupancy Tax (TOT)	7.18	7.20	7.27	7.33	7.33	7.33
Utility Users Tax (UUT)	4.96	5.46	5.73	5.93	3.07	-
Other Taxes	2.28	2.70	2.78	2.83	2.89	2.95
Licenses, Permits & Fees	12.59	12.49	12.75	13.14	13.53	13.94
Other Revenue	7.48	5.76	5.85	5.97	6.09	6.21
Total Revenues	94.88	93.95	96.72	99.75	99.95	100.03
EXPENDITURE CATERGORIES						
Personnel	45.03	47.63	50.83	53.00	54.36	55.88
Non-Personnel	22.96	24.34	24.38	24.49	24.89	25.70
ACFD Fire Services	14.73	15.40	16.67	17.42	18.06	18.78
Civic Center Debt Service	4.82	4.82	4.82	4.46	4.46	4.46
Total Expenditures	87.54	92.19	96.70	99.37	101.77	104.82
Operating Results Before Transfers & Designations	7.34	1.76	0.02	0.38	(1.82)	(4.79)



2026-2028 Biennial Budget

Updated Ending Unallocated Fund Balance:

Operating Results Before Transfers & Designations	7.34	1.76	0.02	0.38	(1.82)	(4.79)
TRANSFERS & DESIGNATIONS						
Measure GG – (Excess Over Debt Obligation)	(3.18)	(3.33)	(3.52)	(3.52)	(3.52)	(3.52)
TOT – 4% Designated for Future Debt Service	(2.05)	(2.05)	(2.07)	(2.07)	(2.07)	(2.07)
Emergency & Fiscal Uncertainty Reserve	(2.23)	(1.39)	(1.35)	(0.67)	(0.60)	(0.76)
Pension & OPEB Reserve	-	-	3.50	-	-	-
PARS Section 115 Trust	(1.00)	(1.50)	(1.00)	-	-	-
Equipment Replacement Reserve	-	-	2.73	-	-	-
Maintenance Reserve	-	2.00	1.00	1.00	1.00	1.00
Total Transfers & Designations	(8.46)	(6.27)	(0.71)	(5.26)	(5.19)	(5.35)
Net Results After Transfers & Designations	(1.12)	(4.51)	(0.69)	(4.88)	(7.01)	(10.14)
Beginning Unallocated Fund Balance	10.10	8.98	4.46	3.78	(1.10)	(8.12)
Ending Unallocated Fund Balance; Net of Transfers & Designations	8.98	4.46	3.78	(1.10)	(8.12)	(18.26)

Unallocated fund balance, net of transfers and designations, is projected at \$4.46 million in FY 2026–27 and \$3.78 million in FY 2027–28.

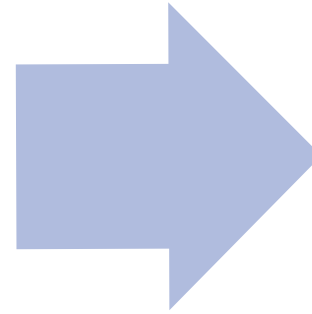
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Budget Transparency

- ClearGov transparency reporting will be implemented for public access following adoption.
- The adopted budget will be available through ClearGov and as a searchable, accessible PDF on the City's website.
- The Capital Improvement Plan and appropriations outside the operating budget are addressed through separate Council action.

Next Steps

2026-2028
Biennial Budget
Adoption
June 25, 2028



New Fiscal Year
July 1, 2027



CITY OF
NEWARK

Business License Modernization

June 25, 2026

It is our mission to serve and partner with our community to continually enhance the quality of life of everyone in Newark.



Presentation Agenda

- Background
- Current Business License Tax Structure
- Proposed Revenue Structure Options
- Estimated Business Impacts
- Comparison to Neighboring and Peer Jurisdictions
- Business and Community Stakeholder Outreach Update
- Next Steps



Staff Recommendation

Staff recommends that the City Council receive the presentation, provide feedback, and direct staff to prepare the necessary resolution and related documents for placement of a Business License Tax modernization and simplification measure on the November 3, 2026, ballot.



Council Direction to Date

Following prior Council direction, staff refined the business license structure, continued ordinance development, and expanded business/stakeholder outreach.

April 9



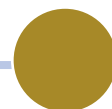
HdL presented existing structure and modernization options.

May 28



Godbe Research presented voter feasibility survey results.

June 25



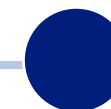
Staff presents recommended approach, business impacts, and outreach update.

July 23



Proposed formal ballot-placement action, if directed by Council.

Nov. 3



Potential voter consideration at election.



Current Structure and Limitations

1970

Original adoption;
limited structural
updates

3,100+

Approximate
licensed businesses
operating in Newark

\$5B+

Annual gross
receipts reported by
Newark businesses

\$1.5M

Approximate
annual revenue
currently
generated

30+

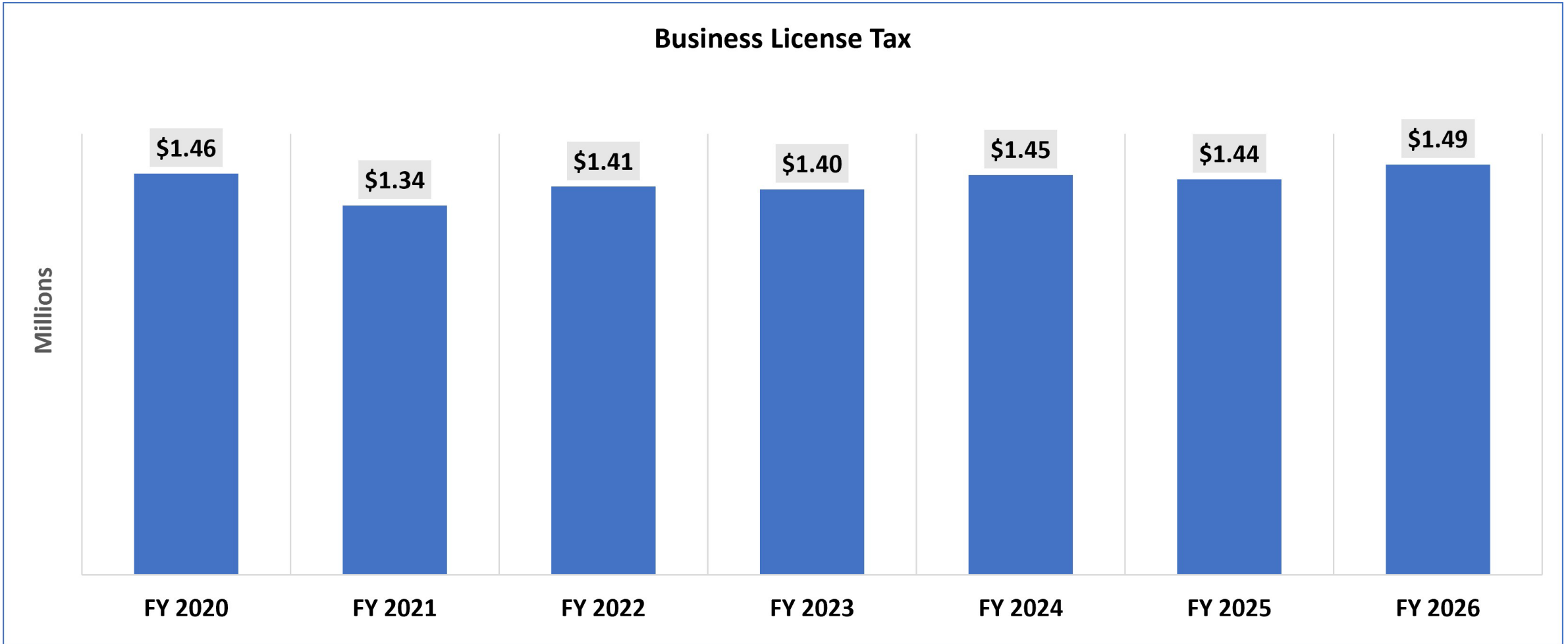
Legacy
classifications and
subcategories

Key Limitations:

- Annual revenue has remained relatively flat
- Multiple calculation methods create administrative complexity
- Legacy classifications do not consistently align with modern business models or economic activity
- The current structure does not consistently align with business scale or activity



Current Structure: Flat Revenue Trend





Current Structure – System Complexity

Rate Types	Count of Business	Primary Tax Basis
Retail/Wholesale/General Businesses	1,542	Gross Receipt
Contractor	658	Gross Receipt
Contractor Quarterly	228	Gross Receipt
Professional	136	Gross Receipt
Non-Residential Property	118	Gross Receipt
Multiple Rate Types	113	Varied rates based on classification
Non-Profit	78	Exempt
Manufacturing	49	Gross Receipt
Admin/Support Office	43	Gross Payroll Tax
Delivery	43	Vehicle-based Flat fee (Optional GR Election)
All Other (7)	95	Varied Rates based on Classification
Total	3,103	



Why Modernize the Existing Ordinance

- Improve equity and proportionality
- Modernize and simplify the current business license tax structure
- Act on the opportunity to prepare for the future
- Provide funding that can be used to support capital improvement projects and infrastructure needs
- Strengthen reserves and sustain long-term fiscal resilience



Proposed Revenue Structure Options

- Three structure options considered:
 - Option 1 – High-revenue
 - Option 2 – Recommended ordinance
 - Option 3 – Revenue-neutral



Alternative Evaluated: Higher-Revenue Option

Not staff-recommended: Estimated Increase Revenue = \$7.5 million.

Business Category	Option 1: Base Rate	Option 1: Higher-Revenue
Contractor	\$25 (up to \$25,000 Receipts)	0.200%
Distribution/Logistics		0.100%
General/Retail		0.100%
Manufacturing		0.100%
Professional		0.300%
Property Rental		0.300%
Service		0.200%
Exempt	\$0.00	0.000%



Alternative Evaluated: Revenue-Neutral Option

Not staff-recommended: Estimated Increase Revenue = \$29,000

Business Category	Base Rate	Option 3: Revenue-Neutral
Contractor	\$25 (up to \$100,000 Receipts)	0.070%
Distribution/Logistics		0.030%
General/Retail		0.030%
Manufacturing		0.010%
Professional		0.030%
Property Rental		0.050%
Service		0.030%
Exempt	\$0.00	0.000%



Proposed Business License Tax Structure

Staff-recommended: Estimated Increase Revenue = \$5.3 million

Business Category	Option 2: Recommended Ordinance
Contractor	0.200%
Distribution/Logistics	0.300%
General/Retail	0.043%
Manufacturing	0.045%
Professional	0.250%
Property Rental	0.225%
Service	0.200%
Exempt	0.000%

Base Rate
\$25
Flat annual rate for
businesses with
\$100,000 or less in
annual gross
receipts



Changes Under the Proposed Revenue Structure

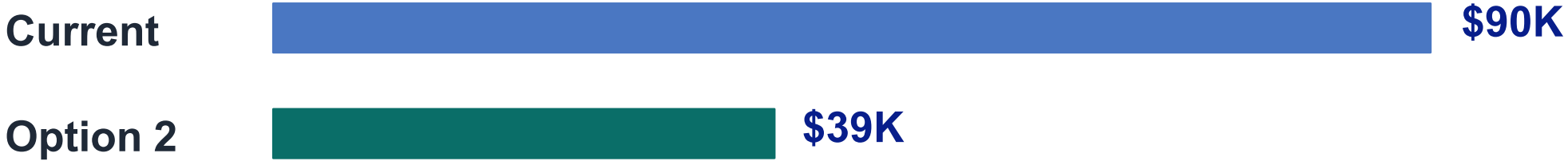
- Consolidates business classifications into seven categories
- Shifts all business classifications to a gross receipts structure
- Applies rates based on business category and economic activity
- Increases the small business flat rate threshold from \$25,000 to \$100,000
- Provides a \$25 annual base rate for businesses with \$100,000 or less in gross receipts



Small Business Impact Under Option 2

Small-Business Threshold 1,523 businesses report gross receipts of \$100,000 or less (approximately half of licensed businesses)	Current Structure \$90K collective annual business license amount for this group	Recommended Option 2 \$39K collective annual amount with the \$100,000 threshold and \$25 base rate
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Collective Annual Amount for Businesses at or Below \$100,000 in Gross Receipts



Option 2 maintains a \$100,000 small-business threshold and reduces the collective amount paid by approximately half of Newark businesses.

Figures reflect businesses reporting gross receipts of \$100,000 or less; actual impacts vary by classification and gross receipts.



Comparison of Revenue Structure Options

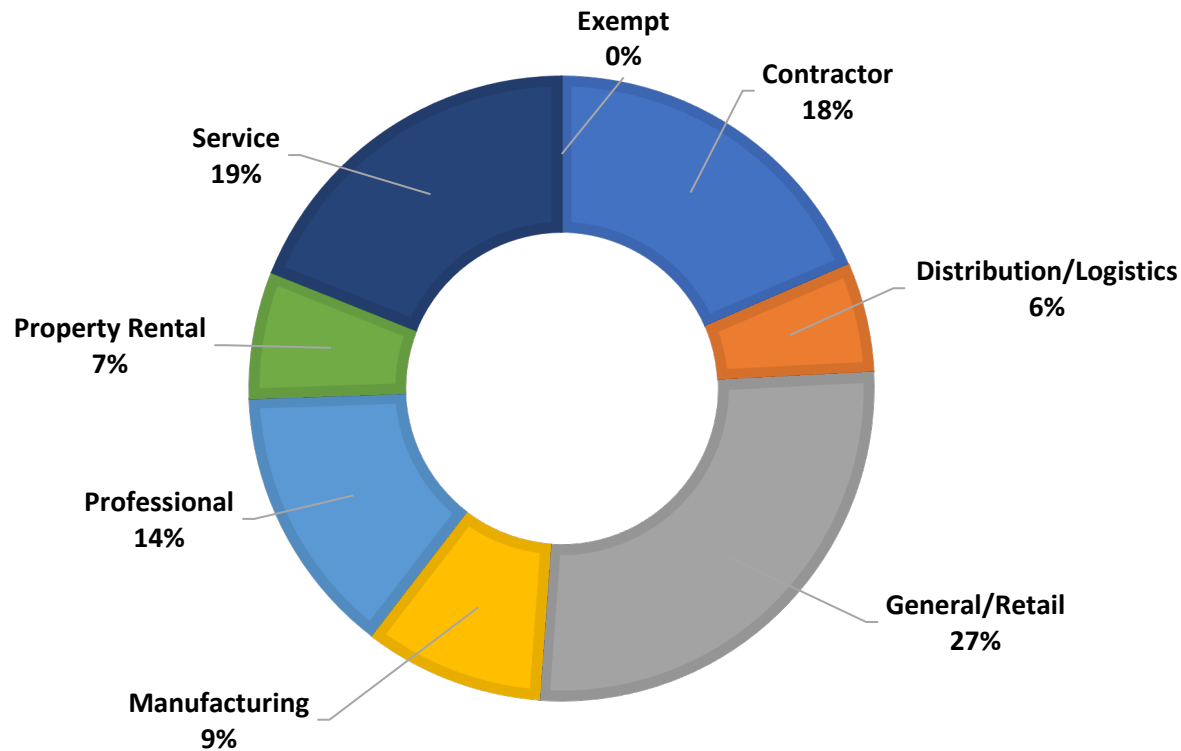
Business Category	Business Count	Gross Receipts (in millions)	Current Revenue	Option 1 (\$25 for \$25K)	Option 2 (\$25 for \$100K)	Option 3 (\$25 for \$100K)
Contractor	917	\$ 389	\$ 272,000	\$ 765,000	\$ 706,000	\$ 262,000
Distribution/Logistics	119	\$ 387	\$ 83,000	\$ 1,154,000	\$ 1,132,000	\$ 116,000
General/Retail	631	\$ 1,341	\$ 396,000	\$ 1,342,000	\$ 571,000	\$ 403,000
Manufacturing	69	\$ 1,160	\$ 136,000	\$ 1,160,000	\$ 521,000	\$ 117,000
Professional	394	\$ 689	\$ 206,000	\$ 2,053,000	\$ 1,665,000	\$ 208,000
Property Rental	192	\$ 224	\$ 97,000	\$ 663,000	\$ 471,000	\$ 108,000
Service	703	\$ 926	\$ 278,000	\$ 1,839,000	\$ 1,785,000	\$ 283,000
Exempt	78	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	3103	\$ 5,116	\$ 1,468,000	\$ 8,976,000	\$ 6,851,000	\$ 1,497,000
Increase Revenue			\$ -	\$ 7,508,000	\$ 5,383,000	\$ 29,000



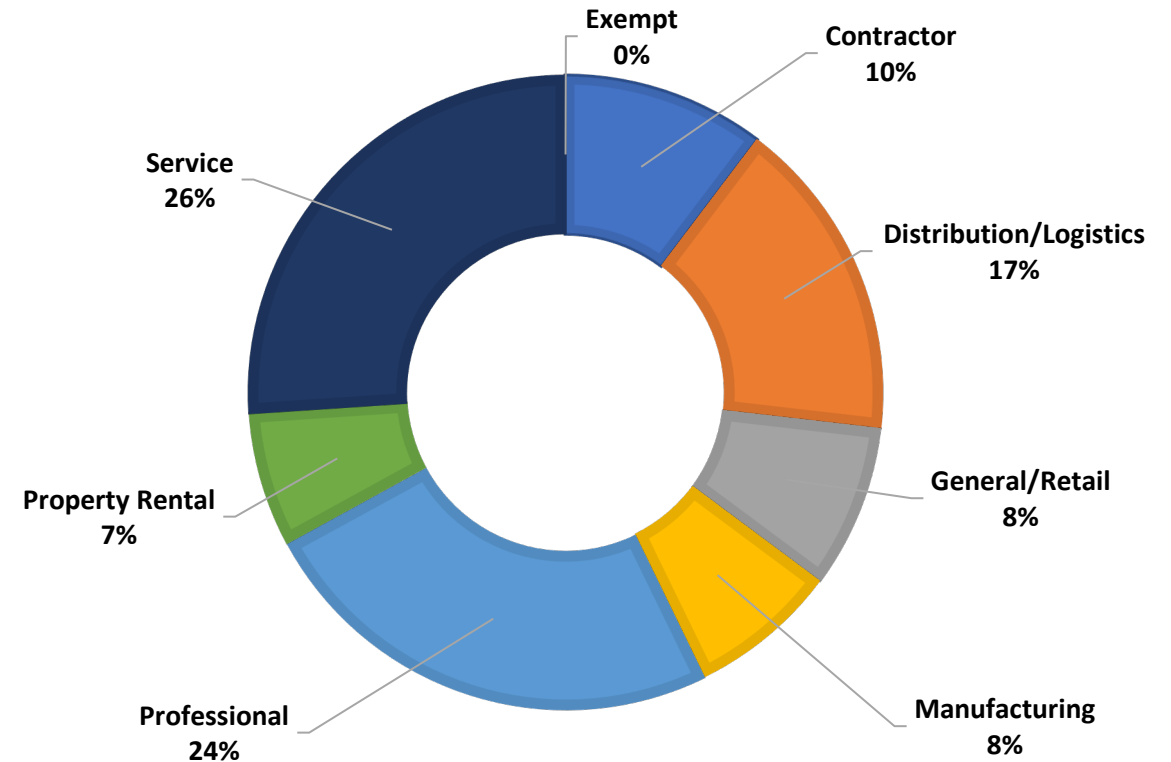
Revenue Share by Business Category

How the Recommended Structure Adjusts Revenue Share

% OF TOTAL REVENUE UNDER CURRENT STRUCTURE



% OF TOTAL REVENUE UNDER OPTION 2





Revenue Share by Business Category

Business Category	Business Count	Current	Option 2	Change from Current
Contractor	917	19%	10%	-9pts
Distribution/Logistics	119	6%	17%	+11pts
General/Retail	631	27%	8%	-19pts
Manufacturing	69	9%	8%	-1pts
Professional	394	14%	24%	+10pts
Property Rental	192	7%	7%	-
Service	703	19%	26%	+7pts
Exempt	78	0%	0%	-

Percentages reflect each category's share of estimated annual business license revenue; actual impacts vary by classification and gross receipts.



Illustrative Examples Across Business Types

The recommended structure aligns tax responsibility with business scale and activity while protecting small businesses.

Illustrative Business Example	Business Category	Gross Receipts	Existing	Option 2: Recommended
Outside Sub-Contractor	Contractor	\$ 12,000	\$ 96	\$ 25
Home-Based Retail	General/Retail	\$ 25,000	\$ 39	\$ 25
Small Professional Firm (e.g. Law Firm or Tax Preparation)	Professional	\$ 100,000	\$ 130	\$ 25
Shoe Store	General/Retail	\$ 200,000	\$ 137	\$ 68
Salon	Service	\$ 450,000	\$ 300	\$ 725
Professional Firm (e.g. Law Firm or Tax Preparation)	Professional	\$ 500,000	\$ 650	\$ 1,025
Restaurant	General/Retail	\$ 625,000	\$ 431	\$ 251
Apartment Complex	Property Rental	\$ 2,500,000	\$ 1,186	\$ 5,425
Product Manufacturing Business	Manufacturing	\$ 15,000,000	\$ 5,311	\$ 6,730
Large Service Business	Service	\$ 30,000,000	\$ 5,311	\$ 59,825
Large Scale Distribution / Logistics	Distribution/Logistics	\$ 40,000,000	\$ 2,800	\$ 119,725



Comparison to Neighboring and Peer Jurisdictions - Hypothetical

Illustrative Business Examples	Gross Receipts	Existing	Newark (Option 2)	Fremont	San Leandro	Union City	Hayward	Hayward (Proposed)
Outside Sub-Contractor	\$ 12,000	\$ 96	\$ 25	\$ 121	\$ 277	\$ 150	\$ 54	\$ 60
Home-Based Retail	\$ 25,000	\$ 39	\$ 25	\$ 38	\$ 224	\$ 132	\$ 27	\$ 60
Small Professional Firm (e.g. Law Firm or Tax Preparation)	\$ 100,000	\$ 130	\$ 25	\$ 160	\$ 303	\$ 264	\$ 100	\$ 150
Shoe Store	\$ 200,000	\$ 137	\$ 68	\$ 80	\$ 435	\$ 132	\$ 87	\$ 60
Salon	\$ 450,000	\$ 300	\$ 725	\$ 480	\$ 699	\$ 850	\$ 80	\$ 225
Professional Firm (e.g. Law Firm or Tax Preparation)	\$ 500,000	\$ 650	\$ 1,025	\$ 680	\$ 831	\$ 1,188	\$ 632	\$ 750
Restaurant	\$ 625,000	\$ 431	\$ 251	\$ 186	\$ 962	\$ 258	\$ 167	\$ 188
Apartment Complex	\$ 2,500,000	\$ 1,186	\$ 5,425	\$ 3,280	\$ 2,067	\$ 5,569	\$ 674	\$ 7,500
Product Manufacturing Business	\$ 15,000,000	\$ 5,311	\$ 6,730	\$ 1,575	\$ 3,597	\$ 6,739	\$ 133	\$ 11,500
Large Service Business	\$ 30,000,000	\$ 5,311	\$ 59,825	\$ 30,030	\$ 12,315	\$ 59,950	\$ 8,099	\$ 33,750
Large Scale Distribution / Logistics	\$ 40,000,000	\$ 2,800	\$ 119,725	\$ 117	\$ 12,501	\$ 39,975	\$ 136	\$ 28,000



Fiscal Impact and Use of Revenue

- Current revenue: approximately \$1.5 million annually
- Additional revenue would support General Fund services and infrastructure
- Potential uses include streets, pothole repair, parks, public safety, emergency response, and reserves
- Long-term fiscal resilience



Business and Community Stakeholder Outreach Update

Scheduled Convenings

- Wednesday, June 17 from 8:30am-10:00am
- Wednesday, June 17 from 3:00pm-4:30pm
- Monday, June 22 from 6:00pm-7:00pm (OTBA)
- Tuesday, June 23 from 2:30pm-4:00pm
- Friday, June 26 from 9:00am-10:30am

Other Engagement Efforts

- Article in the Business Buzz June edition
- Direct distribution of information to businesses
- Dedicated webpage and email address



Next Steps

- Request feedback and direction from the City Council on the proposed ordinance
- Solicit direction on whether to prepare the necessary documents and ordinances to place this time for voter consideration

From: [Eric Hentschke](#)
To: [City Council @ Newark](#)
Subject: Agenda Item F.2 for tonight's meeting.
Date: Thursday, June 25, 2026 10:30:42 AM

ALERT: This email originated from outside of the City. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activity.

Good morning, Mayor and Council members.

Tonight you will be asked to receive information from staff regarding a potential change to the use of the campus behind the Aloft Hotel and adjacent to Kiote Drive. There is some strong history to how this parcel was originally changed from open space to the campus that is there currently. There was much public input at the time and what is there now was an attempt at balancing many factors. Major issues of the time included the loss of wetland and potential wildlife refuge acreage, traffic patterns on Jarvis and Kiote, and building heights (Newark's western skyline). I believe it would be wise to ask staff to present those issues and concerns that were in place before Sun Microsystems, Aloft (not it's original name), and all the others changed the western skyline of Newark. Several of those concerns still exist and would be compromised if the proposal you will hear tonight moves forward. Reading from the agenda prepared by your senior planner, Camelisa Lopez, it sounds like this is a formality that has to happen and no action will take place tonight. However, I believe it is wise to revisit the planning process made in the days when the current changes were allowed. Ask what the original concerns were from the residents adjacent to the property and in western Newark.

Thank you.

I am going to try to attend tonight but there I am sort of time this week. Fingers crossed I can be there.

Best regards,

Eric Hentschke