



**CIOSI**

# **Potential Reduction or Elimination of Food Tax**

**November 8, 2022**





# Scope

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- 1) A history of the FFHC tax, effective date; any sunset provision.
- 2) Information on which other cities have a tax on FFHC.
- 3) The amount collected for FFHC for the past five fiscal years.
- 4) The dollar amount of revenue lost for each .1% of a potential tax decrease.



# Scope

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5) The amount of sales tax generated by Construction Contracting for the past five fiscal years.

6) The amount of revenue generated by permitting fees for the past 5 fiscal years.

7) An analysis of what impact a reduction in the tax rate on FFHC would have on the budget and how the city could make up for it.



# Steps

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- Data collection
- Prepare Workshop with Council
- Prepare second Workshop on Council priorities for budget cuts
- Work with departments to determine budget cuts based on Council priorities



# Steps - continued

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- Workshops with Council on budget cut options
- Public outreach
- Finalize budget cuts in a voting meeting



# Timeline and Level of Effort

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- Estimated 27-31 weeks
- Estimated 762 Manhours
- Timeline would be significantly reduced if made part of the budget process, not a separate effort
  - Staff research approximately 80 hours



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# Questions/Consensus