

ECONOMIC VITALITY COMMITTEE AGENDA

**THURSDAY, FEBRUARY 19, 2026
7:30 AM**

City Council Chamber, 200 Old Bernal Avenue, Pleasanton

Role of the Economic Vitality Committee: *Assess the current and ongoing business climate in the City of Pleasanton and offer suggestions and recommendations to the City Council intended to maintain a strong economic development base in the City.*

CALL TO ORDER / PLEDGE OF ALLEGIANCE

ROLL CALL

AGENDA AMENDMENTS

CONSENT CALENDAR – *Items listed on the consent calendar are considered routine in nature and may be enacted by one motion. If discussion is required that item will be removed from the consent calendar and considered separately.*

1. Approve meeting minutes of December 18, 2025

PUBLIC COMMENT – *From the audience for items not listed on the agenda.*

PUBLIC HEARINGS AND OTHER MATTERS

2. Update on Potential Transient Occupancy Tax (TOT) Measure
3. Economic Development Information/Updates

MATTERS INITIATED BY ECONOMIC VITALITY COMMITTEE

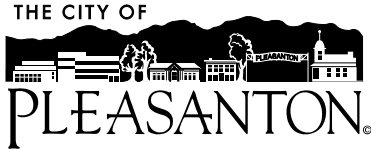
ADJOURNMENT

Notice

Under Government Code §54957.5, any writings/documents regarding an open session item on this agenda provided to a majority of the Commission after distribution of the agenda packet are available for public inspection at the Economic Development Division, 123 Main Street, Pleasanton.

Accessible Public Meetings

The City of Pleasanton can provide special assistance for persons with disabilities to participate in public meetings. To make a request for a disability-related modification or accommodation (e.g., an assistive listening device), please contact the Economic Development Division at 123 Main Street, Pleasanton, CA 94566, econdev@cityofpleasantonca.gov or (925) 931-5039 at the earliest possible time. If you need sign language assistance, please provide at least two working days' notice prior to the meeting date.



**ECONOMIC VITALITY COMMITTEE
REGULAR MEETING MINUTES**

**December 18, 2025
7:30 a.m.
200 Old Bernal Avenue, Council Chambers**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Meeting called to order at 7:32 a.m. by EVC Chair Brian Wilson followed by the Pledge of Allegiance.

ROLL CALL

Present: Chair Brian Wilson, Vice Chair Steve McCoy-Thompson, Ken Benhamou, Paresh Hule, Gavin Shea, Josh Chanin, Igor Leonov, Pravin Venketsamy

Absent: Davinder Channon

City staff: Deputy Director of Community and Economic Development, Melinda Denis

AGENDA AMENDMENTS

None were noted.

CONSENT CALENDAR

1. Approval of October 16, 2025, meeting minutes were approved as presented on motion by Benhamou and second by Shea. The motion passed unanimously.
2. Approval of 2026 Meeting Dates were approved as presented on motion by Hule and second by McCoy-Thompson. The motion passed unanimously.

MEETING OPEN TO THE PUBLIC

Chair Wilson opened public comment. There were no public comments. Chair Wilson closed public comment.

PUBLIC HEARINGS AND OTHER MATTERS

3. Receive update on Economic Development Strategic Plan Implementation and 2026 Work Plan Focus Areas.

Melinda Denis, Deputy Director of Community and Economic Development, provided an overview of the Economic Development Strategic Plan Implementation and 2026 Work Plan Focus Areas.

Chair Wilson opened public comment. There were no public comments. Chair Wilson closed public comment.

The committee provided feedback on the information presented and asked for clarifying questions. No action was taken by the committee.

4. Selection of Chair and Vice Chair for 2026

Committee Member Benhamou was nominated for Chair for 2026 on motion by Chair Wilson and second by Chanin. The motion passed unanimously.

Committee Member Chanin was nominated for Vice Chair for 2026 on motion by Chair Wilson and second by Shea. The motion passed unanimously.

5. Receive Economic Development Information/Updates

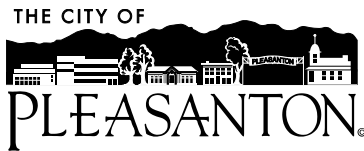
Melinda Denis, Deputy Director of Community and Economic Development, provided the Economic Development information and updates.

MATTERS INITIATED BY ECONOMIC VITALITY COMMITTEE

There were no matters initiated by the committee.

MEETING ADJOURNED

The meeting was adjourned at 8:55 a.m.



ECONOMIC VITALITY COMMITTEE REPORT

February 19 2026
Economic Development

**TITLE: UPDATE ON POTENTIAL TRANSIENT OCCUPANCY TAX (TOT)
MEASURE ON THE NOVEMBER 2026 BALLOT**

BACKGROUND

In August 2025, the City Council received a staff presentation outlining several potential new or expanded revenue options to address the projected structural budget deficit for the 2025-2027 budget cycle. Council directed staff to focus on a transient occupancy tax (TOT) measure for the November 2026 ballot to bolster an existing revenue source and begin stakeholder engagement.

TOT is a tax on the rental of hotel and motel rooms where stays are limited to 30 days or less. The tax is collected by lodging operators from guests and remitted to the City. Pleasanton's TOT rate of 8 percent was established in 1983, has not been adjusted in 40 years, and is tied with Dublin and Livermore for the lowest in Alameda County where rates range from 8 to 14 percent. Most other Alameda County cities have TOT rates between 10 and 14 percent, with 5 cities over 14 percent.

In Fiscal Year (FY) 2024/25, the City received \$5.3 million in TOT revenue. \$5.5 million is budgeted for FY 2025/26 and \$5.6 million is budgeted for FY 2026/27. Based on current occupancy levels, a two-percentage-point increase to 10 percent would generate an estimated additional \$1.4 million in annual revenue, while a four-percentage-point increase to 12 percent would generate an estimated additional \$2.8 million in annual revenue. TOT accounts for 3.4 percent of the FY 2025/26 General Fund budgeted revenues and transfers from other funds. In past years, TOT was 3.0 percent for FY 2024/25, 3.4 percent for FY 2023/24, and 3.2 percent for FY 2022/23.

DISCUSSION

Staff conducted outreach and listening sessions with hotel operators during November and December 2025, representing a cross-section of Pleasanton's lodging market, including full-service properties, select-service and extended stay hotels, independent operators, and budget/economy properties. Staff reached out to representatives of all hotels in Pleasanton, offering the opportunity to meet with staff, although not all hoteliers attended.

Key themes from stakeholder engagement included:

- *No opposition to a rate increase.* No operator expressed intent to actively oppose a TOT measure. Feedback ranged from neutral acceptance to acknowledgement the market can accommodate a higher rate.

- *Market capacity exists.* Operators and industry representatives confirmed Pleasanton's current rate is well below regional comparables, and the market could absorb an increase to 12 percent without significant competitive disadvantage.
- *Preference for phased implementation.* Some operators preferred incremental rate changes over a single large adjustment, citing concerns about guest perception.
- *Limited active engagement expected.* Most operators indicated they would not actively campaign for or against the measure and would not oppose it.

Rate Options and Phased Implementation

Based on stakeholder feedback and regional analysis, staff recommended to Council we pursue a target rate of 12 percent with phased implementation over two years. This approach addresses operator preferences while maximizing long-term revenue generation. Under this approach, voters would approve a single measure authorizing a 12 percent rate, with implementation occurring in two steps:

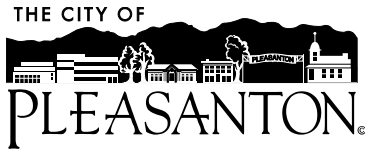
- Phase 1 – July 1, 2027: Rate increases from 8 to 10 percent
- Phase 2 – July 1, 2028: Rate increases from 10 to 12 percent

This approach requires only one ballot measure and one voter approval, streamlining the process while achieving the full 12 percent rate. Staff recommended to Council that any TOT measure be structured as a general tax, with the revenue deposited into the City's General Fund without a specific purpose dedication. Under California law, a general tax requires only a simple majority (50 percent +1) for approval, while a special tax dedicated to specific purposes requires a two-thirds supermajority.

SUMMARY AND NEXT STEPS

The City Council received a staff presentation at the February 3, 2026 meeting. After listening to public comments and a discussion, Council directed staff to proceed with development of a TOT ballot measure for November 2026; recommended a target rate of 12 percent with phased implementation as proposed by staff; and authorized staff to return with draft ballot language for review and consideration by June 2026. Staff requests feedback from the Economic Vitality Committee on the proposed TOT ballot measure, phased implementation, stakeholder engagement process, or additional comments for Council consideration when the item returns by June 2026.

ACTION: RECEIVE UPDATE ON POTENTIAL TRANSIENT OCCUPANCY TAX MEASURE ON THE NOVEMBER 2026 BALLOT



ECONOMIC VITALITY COMMITTEE REPORT

February 19, 2026
Economic Development

TITLE: ECONOMIC DEVELOPMENT INFORMATION/UPDATES

To ensure the Economic Vitality Committee is informed of actions and information pertaining to business-related projects and current business climate, the following documents are provided:

1. Sales Tax Update, 3Q 2025 (July – September)
2. Actions of the Zoning Administrator & Planning Commission, December 16, 2025
3. Actions of the Zoning Administrator & Planning Commission, January 20, 2026

Zoning Administrator Actions Memos Launched January 23, 2026

Beginning Friday, January 23, 2026, weekly Zoning Administrator Actions memos will be published on the City’s website and emailed to subscribers every Friday. The webpage is now live with the subscription option. Economic Vitality Committee members can subscribe online: <https://www.cityofpleasantonca.gov/our-government/community-and-economic-development/>

Zoning Administrator Action Memo

Click below to view a memo of projects recently approved by the Zoning Administrator.

To sign up for weekly email notifications, click on the button below.

[View Memo](#) [Sign Up for Weekly Email Notifications](#)

Upcoming Business Meetings, Events and Other Items:

1. **Taste Tri-Valley Restaurant Week**, February 20 – March 1, 2026 | This 10-day event brings together the best restaurants and wineries in the Tri-Valley, offering special prix-fixe menus, special discounts, and must attend foodie events.
 - Presented by Visit Tri-Valley [More Information](#)
2. **Pleasanton Chamber of Commerce Young Professionals Mixer**, Thursday, March 5, 2026, 5 – 7 pm, Oasis Restaurant & Wine Lounge, 780 Main Street, Pleasanton | No cost for Chamber members and \$10 for guests. To register visit: <https://pleasanton.chambermaster.com/eventregistration/register/5759>

3. **Pleasanton Chamber of Commerce Networking Mixer**, Wednesday, March 11, 2026, 5 – 7 pm, Veterans Hall, 301 Main Street, Pleasanton | No cost for Chamber members. Prospective members and guests are welcome to attend one mixer to evaluate membership benefits. For more information, contact jennifer@pleasanton.org.
4. **Pleasanton Downtown Association 13th Annual St. Patrick's Day Crawl**, Saturday, March 14, 2026, 5 – 8 pm. Tickets available at: <https://www.eventbrite.com/e/13th-annual-st-patricks-day-brew-crawl-tickets-1979909672127?aff=oddtcreator>
5. **State of the City** featuring Mayor Jack Balch, Thursday, March 19, 2026, 11 am – 2:00 pm, Casa Real at Ruby Hill Winery, 410 Vineyard Avenue, Pleasanton | \$85 through 2/28, \$95 beginning 3/1
 - Presented by the Pleasanton Chamber of Commerce
 - Register at <https://business.pleasanton.org/events/details/state-of-the-city-pleasanton-2026-5746?calendarMonth=2026-03-01>

ACTION: RECEIVE ECONOMIC DEVELOPMENT INFORMATION/UPDATES

CITY OF PLEASANTON

SALES TAX UPDATE

3Q 2025 (JULY - SEPTEMBER)



PLEASANTON
TOTAL: \$ 7,051,380

7.9%
3Q2025



1.0%
COUNTY

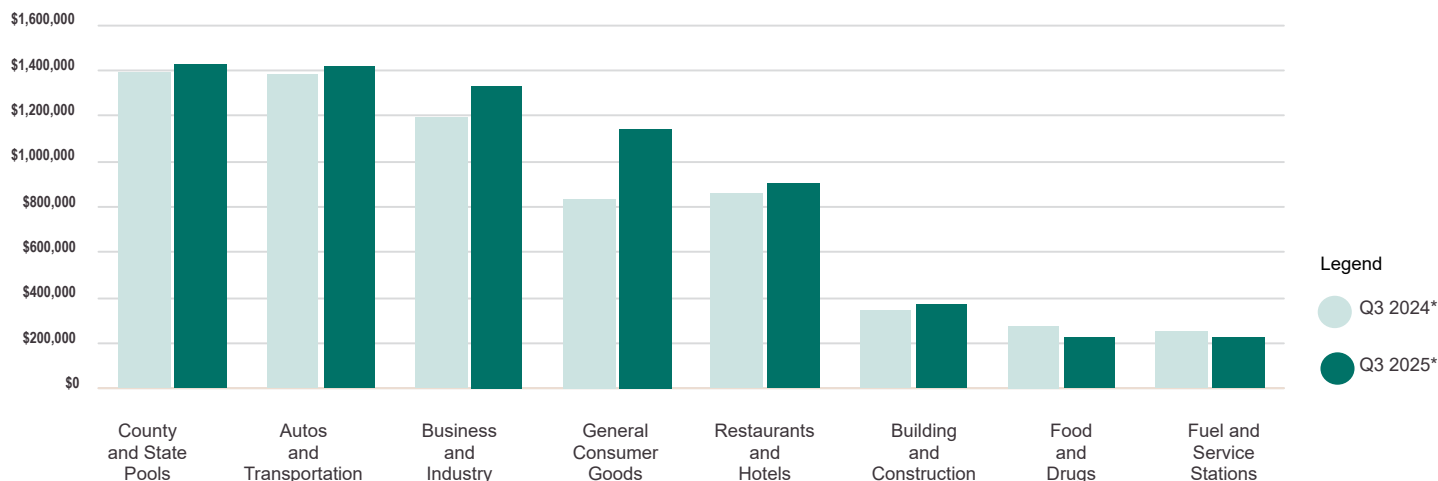


1.9%
STATE



**Allocation aberrations have been adjusted to reflect sales activity*

SALES TAX BY MAJOR BUSINESS GROUP



CITY OF PLEASANTON HIGHLIGHTS

Pleasanton's receipts from July through September were 11.2% above the third sales period in 2024. Excluding reporting aberrations, actual sales were up 7.9%.

The launch of a new regional serving retailer dating back to the end of 2024 expanded the general consumer goods tax base by 37%; segment analysis for this group revealed activity slowed at electronics outlets and within a confidential category.

Having several new eating out options launch over the past year boosted restaurants-hotels; casual dining and quick services sectors increased payments by 9% and 2%, respectively.

Prior year audit corrections previously inflated the City's share of use tax pool allocations; this current quarter 'trued up' disbursements as the City captured a 2% gain thanks to point of sales revenue

growth.

Unexpected, large one-time filings, surges in specialized equipment orders combined to generate 12% more from business-industry. Contractor's had a busy summer of project work, their 32% spike accounted for positive building-construction results.

Outpacing statewide trends, luxury car sales at new vehicle dealerships rose 9%; some buyer acquisitions were tied to 'pulled forward' sales ahead of tariff impacts on pricing.

Crude oil prices stayed down, helped those paying for gas to save a few bucks; however, this caused a 12% reduction from service stations. Last years inflated taxpayer payments skewed food-drug comparisons.

Net of aberrations, the Bay Area was up 2.6%.





STATEWIDE RESULTS

California’s local one-cent sales and use tax receipts for July through September were 1.8% higher than the same quarter last year, after adjusting for accounting anomalies. While growth appears modest, calendar year 2025 remains on pace to rebound following two years of declines. Combined with second-quarter activity, the summer period posted a 1% improvement over the 2024 season.

Sustained consumer trends reflected a willingness to spend while remaining cost-conscious and prioritizing value. Online retailers, reporting to both business-industry and countywide use tax pools (depending on inventory location at purchase), recorded the strongest gains. This momentum extended to brick-and-mortar retailers, which also posted modest improvements. Seasonal “back-to-school” activity boosted men’s and family apparel along with shoe stores, lifting the General Goods sector and enhancing expectations for the upcoming holiday shopping period.

Tax receipts from restaurants edged higher, supported by households’ continued desire to eat out. Despite balancing higher menu prices, tip fatigue, and tighter margins, casual dining establishments generated the largest gains. Overall, summer performance appeared stable but lacked the tourism surge many had hoped for.

Offsetting positive results was a decline in revenue from fuel-service stations—marking the 10th out of the last 11 quarters with negative year-over-year change. This trend is largely tied to West Texas Intermediate (WTI) crude oil prices, which hit their lowest monthly levels since 2021. While lower gas prices may encourage spending in other categories, potential oil refinery closures in the coming year could keep per-gallon prices elevated.

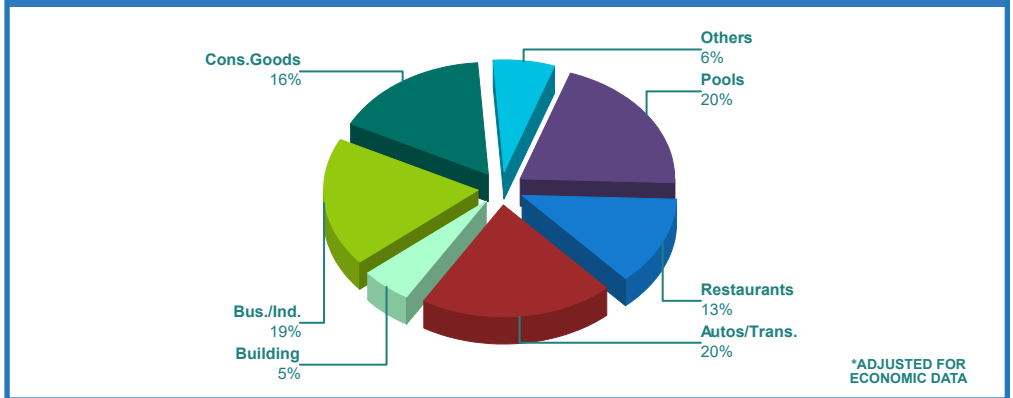
The food and drug sector continued its downward trend as grocers remitted fewer taxes, reflecting the challenge of generating taxable revenue amid rising food prices. Drug store filings have declined throughout the year, driven partly by increased access to medications through e-commerce platforms and a contraction in physical store footprints due to over-saturation and chain bankruptcies.

Two sectors poised to benefit from lower short-term interest rates—autos-transportation and building-construction—repeated a pattern of lackluster returns. A minor uptick came from new auto sales and leasing, while building material

suppliers struggled during the summer, likely creating pent-up demand for repairs and improvements ahead.

With the Federal Reserve considering additional rate changes in early 2026, optimism for improved consumer financing conditions and stronger sales tax receipts remains. As national tariff and trade talks ease, inflationary pressures will continue to shape spending behavior. For now, calendar year 2025 closes with sluggish but stable performance, awaiting broader economic shifts.

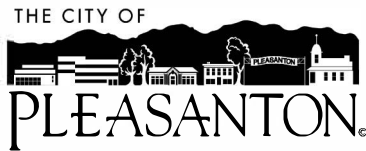
REVENUE BY BUSINESS GROUP Pleasanton This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Pleasanton Business Type	Q3 '25*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	936.5	9.2% ↑	10.5% ↑	0.9% ↑
Casual Dining	485.3	7.5% ↑	2.7% ↑	0.7% ↑
Medical/Biotech	360.7	-15.0% ↓	-17.7% ↓	0.7% ↑
Service Stations	222.9	-11.6% ↓	-8.0% ↓	-5.7% ↓
Quick-Service Restaurants	195.1	2.1% ↑	-2.3% ↓	-1.8% ↓
Business Services	177.8	35.9% ↑	12.1% ↑	12.5% ↑
Contractors	171.7	31.7% ↑	-8.1% ↓	-0.7% ↓
Auto Lease	136.0	15.8% ↑	47.6% ↑	17.8% ↑
Light Industrial/Printers	130.5	-3.8% ↓	6.3% ↑	-2.5% ↓
Computer/Office Equipment	122.3	4.0% ↑	5.6% ↑	-9.9% ↓

*Allocation aberrations have been adjusted to reflect sales activity *In thousands of dollars



CITY COUNCIL AGENDA REPORT

December 16, 2025
Community and Economic Development

TITLE: ACTIONS OF THE ZONING ADMINISTRATOR AND PLANNING COMMISSION

PUD-85-15-22M, Helping Hands

Application for a lot-specific Planned Unit Development (PUD) modification to allow the construction of accessory structures and improvements outside the approved building envelope at 1904 Toyon Court.

Approved. (20 days)

Prepared by:

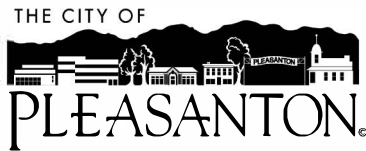
Derek Farmer
Assistant Director of
Community and Economic
Development

Submitted by:

Ellen Clark
Director of Community and
Economic Development

Approved by:

Gerry Beaudin
City Manager



CITY COUNCIL AGENDA REPORT

January 20, 2026
Community and Economic Development

TITLE: ACTIONS OF THE ZONING ADMINISTRATOR AND PLANNING COMMISSION

PUD-106-03M, Rebecca Jorgenson

Application for Planned Unit Development Modification to relocate an existing generator to a new location with associated site improvements located at 6130 Stoneridge Mall Road.

Approved. (2 days)

P25-0614, Nayyer & Syed Burney

Application for Administrative Design Review to construct a 392-square-foot patio enclosure at the rear of an existing residence located at 3122 Paseo Robles.

Project Information:

Existing floor area: 2,122 square feet

Total floor area with addition: 2,514 square feet

Lot size: 6,229 square feet

Existing floor area ratio: 34.1 percent

Total floor area ratio with addition: 40.4 percent

Approved. (16 days)

P25-0674, Saadat Soheil & Moussavissaadat Susan/Forte

Application for Sign Design Review for a wall mounted sign reading "Forte" located at 6612 Owens Drive.

Approved. (9 days)

P25-0695, Shawn Czirban/California Outdoor, Inc.

Application for Administrative Design Review to construct a 240-square-foot attached patio cover to the rear of an existing residence located at 7679 Glenbrook Court.

Approved. (10 days)

P25-0669, Matthew & Tanya Kwan

Application for Administrative Design Review to construct a 539-square-foot, second-story addition to an existing residence located at 7866 Marigold Court.

Project Information:

Existing floor area: 1,757 square feet
Total floor area with addition: 2,296 square feet
Lot size: 6,300 square feet
Existing floor area ratio: 27.8 percent
Total floor area ratio with addition: 36.4 percent

Approved. (13 days)

Prepared by:



Derek Farmer
Assistant Director of
Community and Economic
Development

Submitted by:



Ellen Clark
Director of Community and
Economic Development

Approved by:



Gerry Beaudin
City Manager