



MEMORANDUM

TO:	Honorable Mayor and Members of the City Council
FROM:	Sean Rabé, City Manager
DATE:	August 26, 2024
SUBJECT:	City Manager Report for Aug. 26, 2024 City Council Meeting

Mayor and Council Members,

The following report provides an update on some of the major activities City Staff has been working on recently:

City Manager's Department:

- ***TOT Measure:*** With the Council's adoption of Resolution #24-80, the City placed a ballot measure on the November General Election that would both increase the City's Transient Occupancy Tax rate from 8 percent to 10 percent and would also require short-term rentals to pay the TOT.
The measure has been assigned Measure F on the ballot. We have had an argument in favor of the Measure and an argument opposing the Measure submitted, as well as rebuttals to each.
The City has created an informational page on our website providing factual information on Measure F. You can find that here:
<https://www.auburn.ca.gov/701/Measure-F>.
We have also created a one-page informational handout, which is attached to this report.
- ***Recreational Cannabis Discussions Moving Forward:*** Staff continues to work on scheduling a meeting with our Grass Valley counterparts to glean best practices for a potential recreational cannabis ordinance, per the City Council's direction earlier this year. Grass Valley and City staff will hopefully be meeting sometime in early September to discuss the process that Grass Valley followed and how Auburn could modify that process for our use. All of this will be presented to the City Council for potential direction and follow up at a later date.

Police Department:

- ***Dry Diggings Festival:*** the Dry Diggings Festival was held this past weekend at the Gold Country Fairgrounds. Unlike last year, this year's event had very few complaints. CHP staffed the event with three CHP officers in the Fairgrounds and had additional patrol officers patrolling the immediate area outside of the Fairgrounds. Auburn Police Department supplemented patrol staff with two additional officers working under the CHP DUI grant.

- APD made 2 DUI arrests and a Drunk in Public arrest that could be directly related to Dry Diggings
- APD fielded two noise complaint calls over the three-day event, compared to 26 noise complaints in 2023. The first call was reported on 8/23 at 7:55 PM. CHP quickly responded to the reporting party's address, agreed the noise level was excessive, and had the volume turned down for the remainder of the three day event. The second noise complaint was a single caller on 8/25, at 6:24 PM.
- We are currently waiting to hear back from the Fairgrounds to obtain the number of attendees at the event

Planning/Economic Department:

- *Form-Based Code:* The City Council, Planning Commission and Historic Design Committee held a joint Town Hall meeting last week to get an overview sneak peak of the code and what it does (and doesn't do). The meeting included a short presentation by Community Development/Economic Development Director Jonathan Wright, followed by a question-and-answer period from community members and the Council and culminating in an interactive town hall portion with staff and consultants showing how the code would work using visual aids on poster boards.

The meeting was very well attended with maybe 50 or so attendees. There was quite a bit of confusion from members of the audience about what the code is. Some felt the City hasn't done enough notification about the process despite multiple meetings over three years, Facebook and website posts, signs placed throughout the Downtown and Old Town areas, and newspaper articles. We will continue to try to educate folks on what the code would actually do (and, as important, won't do).

As you know, the Community and Economic Development Department has been working for the past few years to develop a new land use code for the City's Old Town and Downtown to incentivize infill development and make it easier for businesses and housing to come into these districts, thus recreating the historical live/work development patterns that characterized our Gold Rush communities. The idea is to create a more-modern land use code for Auburn's central core and streamline processes by limiting lengthy Planning Commission Hearings and making more over-the-counter processes.

- *Ace Hardware:* As Council knows, Ace Hardware is relocating from its previous location on Nevada Street, to the former Rite Aid site next to Grocery Outlet off Highway 49. The business is making good progress toward opening soon. Staff is working with Caltrans to see about getting a direct access off Highway 49 to provide better truck and customer access the new Ace Hardware location.
- *Remedy Supply:* Remedy Supply, located in the former Mickey's Boots building in Downtown, has started calling for inspections so that renovation is moving forward. The business, owned by Pour Choice owners Jordan and Melinda Minyard, is set to provide coffee roasting, a beer and wine bar, a small café and general mercantile.

- *Active Transportation Plan:* Last week was the Kickoff of the City's Active Transportation Plan and there is a website set up so that people can provide input on an interactive map. The website can be accessed through the City website at <https://www.auburn.ca.gov/civicalerts.aspx?aid=242>.
- Fehr and Peers will be deploying noise meters throughout the City to measure sound as part of a noise study for our General Plan update. These devices should be up for about a week.

Finance Department:

- *New Budget Software:* This week kicking off the new budget software, ClearGov, with the vendor to begin design and requirements gathering. New software will be in effect for the FY 2025-26 budget cycle that starts in January 2025.
- *Blue Claims Going Away:* Departments have begun processing invoices virtually through the Tyler Financial System web portal. Paper check printing has nearly been eliminated saving paper, check stock, and labor costs.
- *FY 2023-24 Winding Down:* The financial year-end close processes are in full swing, with updated deficit totals scheduled for a City Council item in September.

City Clerk's Department:

- *New Phone System Rolling Out Soon:* As part of the implementation of the new phone system (which is saving us money) a complete review of the phone tree structure is being completed. We are looking into more efficient and easy to use options when people call in, with a zero option, so they can easily get someone every time.

Fire Department:

- *Community Risk Reduction Manager Resigns:* Community Risk Reduction Manager Lindsay Davidson, who served the Auburn Fire Department for two years, resigned effective August 23 to take on a new role at PG&E. During her tenure, Lindsay played a important role in both Fire Prevention and Public Education, significantly contributing to the Auburn Fire Department's mission.
- *Union Pacific Fuel Reduction:* Union Pacific Railroad has contracted with Chase Tree Service to carry out fuel reduction work along approximately seven miles of their right of way. This project, initiated by Battalion Chief D'Ambrogi in 2020, allows for 200 feet of fuel reduction on both sides of the tracks. The Chase Tree Service crews, currently working in the High Street and Miles Court areas, are expected to continue operations until at least the end of the year.
- *AFD Engine Returns Home:* Auburn Fire Department Engine 1272 was released after covering CAL FIRE Station #11 for 14 ½ days. Auburn Fire personnel, including Captain Matt Bowers, Engineer Aaron Rea, Engineer Alex Lawton, Firefighter Cole Davis, and Firefighter Zachary Sloan, provided station coverage during this period. CAL FIRE Chief Brian Estes and Battalion Chief Nolan Hale expressed their gratitude for Auburn Fire Department's support of the state's mission. All other Auburn Fire personnel stepped up by working extra shifts,

ensuring that the citizens of Auburn continued to receive the highest level of protection.

Public Works Department:

- *Fleet Electrification Progress:* Staff had a productive meeting with the Placer County Air Pollution Control District (PCAPCD) regarding grant eligibility for our fleet and infrastructure. We plan to present to the council some innovative ways to expand our fleet using grant funds specifically identified for Placer County projects.

Human Resources Department:

- *August Service Anniversaries:* Each month, we are highlighting employees who've reached another year of dedicated service with the City of Auburn. Congratulations to all of you! Your dedication and hard work truly make a difference in our community.

Here's a special shoutout to our August anniversaries:

- Andy Ferkin – 18 years
- Tony D'Ambrogi – 12 years
- Matt Bowers – 6 years
- Aaron Bertheksen – 4 years
- Matt Jelle – 3 years
- Jonathan Wright – 3 years
- James Murphy – 3 years
- Jamie Rossitto-Doyle – 2 years
- Cole Davis – 2 years
- Eric Lynch – 1 year
- Cadence Mitchell – 1 year
- Justin Orton – 1 year

Thank you for all that you do for the City of Auburn!

QUESTIONS? Please contact me at the phone number below or by email at srabe@auburn.ca.gov.



Sean Rabé, City Manager

Auburn Hotel and Lodging Tax Measure

(also known as TOT or Transient Occupancy Tax)



Measure F will be on the ballot in November and asks to amend the City of Auburn's hotel and lodging tax (also known as Transient Occupancy Tax or TOT) by extending its application to short term rentals (AirBnB, VRBO, etc.) and increasing the TOT from 8% to 10%.

What is hotel and lodging tax?

The hotel and lodging tax, also known as Transient Occupancy Tax (TOT), is paid by lodgers at hotels and short-term rentals for stays of 30 consecutive days or less to help cover the costs of City services like emergency response, road maintenance, and park upkeep.

Who pays the hotel and lodging tax?

Only individuals who stay the night in a hotel or at a short-term rental within the Auburn City limits.

Do residents pay hotel and lodging tax?

No. Residents and business do not pay hotel and lodging tax.

Why is the City asking voters to amend the hotel and lodging tax?

Records indicate that the City of Auburn has not adjusted the hotel and lodging tax since 1991, more than 33 years ago. Costs of City services have increased but the portion of the costs lodgers pay has not.

What does the hotel and lodging tax pay for?

The hotel and lodging tax provides funds for police, fire, street maintenance, pothole repairs, parks and general government use for maintaining other services.

Aren't short term rentals already covered under the TOT like bed and breakfasts?

No. The current ordinance does not include short-term rentals like AirBnBs. Measure F folds short-term rentals under the TOT ordinance applying it equally to all lodgers.

Don't short term rental owners already pay property taxes so why do they need to pay the TOT?

Yes, the owners pay property taxes and so do the owners of hotels and bed and breakfasts. The TOT is not paid by property owners. Overnight lodgers pay TOT to cover their fair share of the use city roads, city parks, city services, police and fire.

How much will the City receive if Measure F passes?

The increase of the TOT and expansion to the short-term rentals will increase the annual TOT by \$162,000. It equates to about \$3 on a \$150 overnight stay, less than the cost of a cup of coffee. The annual amount from short-term rentals alone would be around \$80,000.

How does Auburn's Hotel and Lodging Tax compare with the other cities and counties?

Auburn hotel and lodging tax is one of the lowest in the region.

14%

El Dorado County
South Tahoe Area

12%

Citrus Heights
Davis
Elk Grove
Rancho Cordova
Sacramento City
Sacramento County
South Lake Tahoe
Truckee

10%

Colfax
El Dorado County
Lincoln
North Tahoe
Rocklin
Roseville
Yuba County
Wheatland

8%

Auburn
Folsom
Loomis
Placer County

For more information visit:

<https://www.auburn.ca.gov/701/Measure-F>

Get Voter Registration Forms at:

Placer County Registrar's Office – 2956 Richardson Drive, Auburn
California Secretary of State - <https://registertovote.ca.gov/>