



ROCKLIN
CALIFORNIA

CITY MEMORANDUM

DATE: May 23, 2017
TO: Mayor Scott Yuill and members of the Rocklin City Council
FROM: Ricky A. Horst, City Manager
SUBJECT: City Manager Report

1. Only 20% of Americans will Own Cars in 15 Years: Business Insider reports that by 2030, nearly no one in the US may own a personal car. Instead, most Americans would hail self-driving, electric ride-shares to get around. Although this may seem more like the background in a futuristic sy-fy movie than a reality, certainly trend lines seems to be moving in this direction. So what is the premise upon which these predictions come to us?
 - On average, cars sold in the US sit parked more than 95% of the time
 - Ride share programs are between four and 10 times cheaper per mile than buying and maintaining a car
 - Families could save up to \$5,600 per year resulting in a boost in annual disposable income for US households

A number of auto companies are racing to create a driverless future. In 2016 Tesla hinted at its attention to develop a ride-hailing service, and have since announced that its new electric vehicles will have hardware that will eventually enable full autonomy. Around the same time, Uber became the first company to pilot a fleet of driverless cars in real time. GM, Ford and others are following suit.¹

If this is indeed the trend, we will need to not only rethink planning and road infrastructure systems, but taxing models as well.

2. Designation of Voting Delegate, 2017 League of Cities Annual Conference: The California League of Cities Annual Conference is slated for September 13 – 15 in Sacramento. Should the City of Rocklin desire to participate as a voting delegate, it will be necessary to appoint a voting delegate and any alternates prior to July

¹ www.businessinsider.com/no-one-will-drive-a-car-in-the-future-017-5

31, 2017. Conference registration is required. At present the League has yet to present their slate of resolutions to be considered.

3. Transient Occupancy Tax – Application to Airbnb: In recent months we have engaged in conversation about the disruption in traditional taxing models and our need for our finance model to keep pace with the changing economy. In essence we seek replacement revenues where more traditional revenues are beginning to diminish. Case in point: This summer while traveling to visit family, we elected to stay at an Airbnb for the week because we were able to get a better value with significantly more amenities than if we had stayed in a traditional hotel.

Upon payment I noticed the local jurisdiction received both a sales tax and an occupancy tax...no different than if I had stayed in a hotel. The City we stayed in was not a tourist community; a community not unlike Rocklin. I was surprised to find so many options for an Airbnb style stay. Not for tourists but for individuals like me who came to spend time with the family.

Upon my return I shared my experience with the Executive Team followed by research from the City Attorney. Rocklin Municipal Code, Chapter 5.24, Transient Occupancy Tax rules includes “tourist home or house” in the definition of “hotel”. Per 5.24.060, Hotels, and by definition vacation rental homes, are required to register with the City of Rocklin Tax Administrator within 30 days of commencing the business of renting to transients. Per the code, they are then issued a Transient Occupancy Tax Certificate that must be conspicuously posted on the rental premises. A tax of 8% of the rent should be charged by the Operator to the transient. Per 5.24.050, it is the operator’s duty to collect the tax at the same time rent is collected. Operators are supposed to submit a quarterly report to the City Tax Administrator on or before the end of the month following the close of each calendar quarter.

While the existence of vacation rental homes in Rocklin is currently minimal, it would appear that we should exercise the rule and begin to require registration unless the City Council desires a different direction. This matter will be brought forward for a more thorough discussion at a future City Council meeting.

4. All Hands Word Map: Every year the City Manager’s Office host’s an All Hands Conference in part to bring everyone together as a single team, to embolden idea sharing and collaboration. But also to have a little fun and celebrate the collective achievements of the employee body. We receive a grant each year from PG&E for any expenses, thus there is no expenditure of City funds. This year we asked our employees to respond to a series of questions as listed below. What followed is the creation of a “word map” demonstrating their response.

Questions:

- What is the most satisfying part working for the city?
- What motivates you to do the best you can?
- If you could change one thing, what would it be?
- What three words best describes our culture working here at the City of Rocklin?
- How comfortable are you giving feedback to your supervisor?

The attached “word map” represents their answers weighted by the size of the word. All answers were submitted anonymously.

5. City Budget/CIP Plan Out for Public Review: The City of Rocklin Budget and Capital Improvement Plan were released for public review on May 15, 2017. A copy can be found on the City website at www.rocklin.ca.us . A public hearing is scheduled for June 13th and June 27th at the regularly scheduled meeting of the City Council.



All Hands Conference

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