

**CITY OF OAKLAND**  
**AGENDA REPORT**

OFFICE OF THE CITY CLERK  
2006 MAY 30 PM 3:25

To: Office of the City Administrator  
Attn: Deborah Edgerly  
From: Budget Office  
Date: June 8, 2006

Re: **Report Transmitting an Ordinance Authorizing a Fiscal Year 2006-07 Increase to a Special Tax Imposed for Violence Prevention and Public Safety Services in Accordance with the Violence Prevention and Public Safety Act of 2004 (Measure Y)**

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**SUMMARY**

Attached for City Council consideration is an ordinance confirming the FY 2006-07 special parcel tax assessment for the Violence Prevention and Public Safety Act of 2004.

In November 2004, the City of Oakland voters approved the Violence Prevention and Public Safety Act of 2004. The measure imposes a parking surcharge on commercial parking lots and a parcel tax for the purpose of raising revenue necessary to fund such activities as community and neighborhood policing; violence prevention services with an emphasis on youth, and fire services. The Measure Y legislation authorizes the City Council to levy parcel tax assessments beginning FY 2005-06, and to increase the parcel tax rates by a cost-of-living factor in line with CPI increases for the San Francisco Bay Area.

A public hearing on the proposed ordinance to assess the Measure Y special parcel tax is scheduled for June 8, 2006 at 5:00 p.m.

**FISCAL IMPACT**

The FY 2006-07 estimated revenue from Measure Y (fund #2251) parcel tax revenue is \$12.51 million; total estimated revenue, including parking tax receipts is \$20.2 million. The proposed rate increase represents approximately \$244,244 of the total estimated revenue.

**BACKGROUND**

Beginning in FY 2005-06 and continuing each fiscal year thereafter for nine years, the Measure Y legislation allows the City Council to adjust the tax rates in accordance with the CPI for the immediate San Francisco Bay Area. At no time, however, may the rates be increased by more than 5.0 percent of the tax rates imposed by ordinance during the immediate preceding fiscal year. As FY 2005-06 was the first fiscal year in which this parcel tax was levied, staff did not propose a CPI increase for FY 2005-06.

Item # \_\_\_\_\_  
City Council  
Special Meeting  
June 8, 2006

**DISCUSSION**

The proposed ordinance applies an adjustment of 2.0 percent to the current Measure Y special parcel tax amount, effective July 1, 2006. This adjustment reflects the annual change in the San Francisco Bay Area CPI during 2005. The proposed increase applies on a fiscal year basis (i.e., July 1<sup>st</sup> – June 30<sup>th</sup>).

The following table summarizes the impact of the proposed assessments by parcel type:

<b>Measure Y Tax Rate Increase</b>			
<b>Parcel Type</b>	<b>Current Parcel Rate</b>	<b>Proposed Annual Increase</b>	<b>FY 2006-07 Parcel Rate</b>
Single Family Residential Parcels	\$88.90	\$1.76	\$89.76
Multiple Unit Residential Parcels	\$60.12	\$1.20	\$61.32
Non-Residential Parcels	\$45.07	\$0.90	\$45.97

**SUSTAINABLE OPPORTUNITIES**

There are no direct economic, environmental, or social equity opportunities or impacts associated with the City Council action requested in this report.

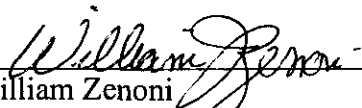
**DISABILITY AND SENIOR ACCESS**

There are no direct disability and senior access impacts associated with the City Council action requested in this report.

**RECOMMENDATION**


Staff recommends that the City Council adopt the proposed ordinance authorizing a 2.0 percent increase, consistent with CPI, in the tax imposed pursuant to the Violence Prevention and Public Safety Act of 2004.

Respectfully submitted,

  
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William Zenoni  
Interim Budget Director

*Prepared by:*  
Michael Kilian  
Chief Deputy City Auditor

APPROVED FOR FORWARDING TO THE  
CITY COUNCIL

  
\_\_\_\_\_  
OFFICE OF THE CITY ADMINISTRATOR


  
CITY ATTORNEY
OFFICE OF THE CITY CLERK  
CITY OF OAKLAND2006 MAY 30 PM 4:45 **OAKLAND CITY COUNCIL****ORDINANCE NO. \_\_\_\_\_ C.M.S.**

**ORDINANCE AUTHORIZING A FISCAL YEAR 2006-07  
INCREASE TO A SPECIAL TAX IMPOSED FOR VIOLENCE  
PREVENTION AND PUBLIC SAFETY SERVICES IN  
ACCORDANCE WITH THE VIOLENCE PREVENTION AND  
PUBLIC SAFETY ACT OF 2004 (MEASURE Y)**

**WHEREAS**, in 2004 the voters of Oakland approved Measure Y, a special tax to fund violence prevention and public safety services; and

**WHEREAS**, Measure Y imposes a special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by Section 3 of the Ordinance; and

**WHEREAS**, Measure Y provided that beginning in Fiscal Year 2004-05, and each year thereafter, the Oakland City Council may increase the tax only upon a finding that the cost living in the immediate San Francisco Bay Area, as shown by the Consumer Price Index (CPI) for all items, has increased since Fiscal Year 2003-04 index year; and

**WHEREAS**, Measure Y provided that any tax rate adjustment imposed by the City Council pursuant to the ordinance shall not exceed five percent of the tax rate imposed during immediate preceding fiscal year; and

**WHEREAS**, a public hearing on this ordinance confirming the Measure Y special parcel tax was held on June 8, 2006 at 5:00 p.m. in City Hall, One Frank H. Ogawa Plaza, Oakland, California; now, therefore

**THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:**

1. The Oakland City Council hereby finds that the Consumer Price Index for all items in the San Francisco Bay Area was 198.8 for calendar year 2004 and that the Consumer Price Index for calendar year 2005 was 202.7.
2. The cost-of-living in the immediate San Francisco Bay Area as shown by the Consumer Price Index, has increased 2.0 percent between calendar year 2004 and calendar year 2005.

3. The Measure Y special tax rate upward adjustment shall be 2.0 percent, effective July 1, 2006, pursuant to the Measure Y requirement that the rate increase equal the annual CPI increase for the San Francisco Bay Area, and at no time may the increase exceed 5.0 percent of the tax rates imposed by the Ordinance during the immediately preceding fiscal year.
4. The following rate structure will be imposed on parcels within the City of Oakland effective July 1, 2006 for FY 2006-07:

<b>Measure Y Tax Rate Increase Analysis</b>			
<b>Parcel Type</b>	<b>Current Parcel Rate</b>	<b>Proposed Increase</b>	<b>FY 2006-07 Parcel Rate</b>
Single Family Residential Parcels	\$88.00	\$1.76	\$89.76
Multiple Unit Residential Parcels	\$60.12	\$1.20	\$61.32
Non-Residential Parcels	\$45.07	\$0.90	\$45.97

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

**AYES---** BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID and PRESIDENT DE LA FUENTE

**NOES---**

**ABSENT---**

**ABSTENTION---**

**ATTEST:** \_\_\_\_\_

**LATONDA SIMMONS**  
 City Clerk and Clerk of the Council  
 of the City of Oakland, California

**ORDINANCE AUTHORIZING AN INCREASE TO A SPECIAL TAX IMPOSED  
FOR VIOLENCE PREVENTION AND PUBLIC SAFETY SERVICES IN  
ACCORDANCE WITH THE VIOLENCE PREVENTION AND PUBLIC SAFETY  
ACT OF 2004 (MEASURE Y) APPROVED BY VOTERS IN 2004**

**NOTICE AND DIGEST**

This Ordinance authorizes an increase to a special tax imposed by the Violence Prevention and Public Safety Act of 2004 (Measure Y), which was submitted to the voters by Resolution No. 78734 C.M.S. and approved by the voters in November 2004. The Act allows rates to be adjusted for changes in the Consumer Price Index, in an amount not exceed five percent (5.0%), as provided in section 4 of the Resolution. The total increases are a total increase of 2.0 percent for FY 2006-07. Effective July 1, 2006, the Single Family Residential rate would increase from \$88.00 to \$89.76, the Multiple Unit Residential rate would be \$60.12 to \$61.32 and the Non-Residential Parcel rate would increase from \$45.07 to \$45.97.