

CITY OF OAKLAND
AGENDA REPORT

2011 APR 28 PM 7: 28

TO: Office of the City Administrator
ATTN: P.Lamont Ewell
FROM: Budget Office
DATE: May 10th 2011

RE: Resolution of Intention to Levy Assessments, Acceptance of the Fiscal Year 2011-12 Preliminary Annual Report for the City Of Oakland Wildfire Prevention Assessment District, and Setting June 7, 2011 as the Date for a Public Hearing

SUMMARY

A resolution has been prepared declaring the City Council's intent to levy and collect assessments from the Wildfire Prevention Assessment District (WPAD) for FY 2011-12, accept the Preliminary Annual Report for the WPAD, and set a public hearing date for Tuesday, June 7, 2011. The FY 2011-12 Preliminary Annual Report for the WPAD prepared by Francisco & Associates, Inc., the District Engineer, is included as Attachment A.

FISCAL IMPACT

There is no direct fiscal impact from City Council action on this report. However, City Council action continues the process for assessing and collecting revenues from the WPAD for FY 2011-12. For FY 2011-12, the Preliminary Annual Report projects revenues of \$1.7 million from the WPAD. Revenues are used to fund fire suppression, prevention and preparedness services and programs in the Oakland hills.

Per Resolution No. 81740 C.M.S., the contractual agreement with Francisco & Associates, Inc. can be extended for two years through December 31, 2012. The contract extension is currently being finalized by the Department of Contracting and Purchasing and includes the service and cost of preparing the Annual Report. No additional funding is requested.

BACKGROUND

The City of Oakland formed the Wildfire Prevention Assessment District in January 2004 to finance the costs and expenses related to fire suppression, prevention and preparedness services and programs in the Oakland hills. The legislation forming the WPAD provides for the creation of a Citizen's Advisory Committee, which takes responsibility for preparing a budget for Council approval and recommending program priorities. The Preliminary Annual Report contains the Advisory Committee's program proposals and the associated budget for the assessments

proposed to be levied in fiscal year 2011-12. The Annual Report also sets forth the proposed amounts of the assessment on each parcel. Further steps are described below:

1. Approve the Preliminary Annual Report and adopt a resolution of intention. The resolution of intention declares the City Council's intention to levy and collect assessments within the WPAD for the fiscal year and sets a date, hour, and place for a public hearing. The resolution also transmits the Preliminary Annual Report, which incorporates the WPAD Citizen's Advisory Committee program and budget proposals and specifies the assessment amounts per type of parcel.
2. Conduct the public hearing affording all interested parties the opportunity to hear and be heard. The public hearing is scheduled to occur at 6:30 p.m. on June 7, 2011.
3. Upon completion of the public hearing on June 7, 2011, adopt a resolution confirming the information in the Annual Report and the levy of the assessment within the WPAD for fiscal year 2011-12.

The City of Oakland collects the WPAD assessment through the County of Alameda property tax bill. Upon fulfillment of the requirements for the WPAD, the City of Oakland must submit the assessments to the Alameda County Auditor-Controller Agency by August 10, 2011 for inclusion in the FY 2011-12 property tax roll.

KEY ISSUES AND IMPACTS

The purpose of this report and resolution is to declare the intent of the City Council to levy and collect assessments within the WPAD for FY 2011-12, state whether the assessment is proposed to increase from the previous year, and set a date, hour, and place for a public hearing.

WPAD Assessments

The table below details the annual assessment rates by development and land use status. Assessments are proposed to remain unchanged, as there is no provision in the ordinance for a Consumer Price Index (CPI) increase.

Oakland Wildfire Prevention Assessment District FY 2011-12 Assessment Rates	
	<u>Annual Assessment</u>
<u>Developed Land Use</u>	
Single Family Residential	\$65.00 per Parcel
Condominium/Townhouse	\$48.75 per Unit
Multi-Family (Apartments) and Mobile Home	\$32.50 per Unit
Commercial, Industrial, Public Institutional, Recreational, Utility	\$274.95 per Acre
<u>Improved Land Use</u>	
Commercial, Industrial, Public, Institutional, Recreational, Utility	\$82.49 per Acre
<u>Undeveloped Land Use</u>	
Single Family Residential	\$16.25 per Parcel
Commercial, Industrial, Condominium/Townhouse, Institutional, Recreational, Utility, Multifamily, Mobile Home	\$68.74 per Acre
Public	\$34.37 per Acre

WPAD Proposed Budget

The Preliminary Annual Report included with the staff report presents the WPAD Citizens Advisory Committee's proposed budget. This budget estimates total resources of \$2.8 million versus an expenditure budget of \$2.2 million, which would leave a balance of \$0.6 million at the end of FY 2011-12 (see table below for the 2011-12 WPAD Engineering Budget).

**Oakland Wildfire Prevention Assessment District
 FY 2011-12 Proposed Budget**

	Amount
Revenues	
Estimated Unspent Fund Balance, FY 2011-12	\$1,134,347
Estimated FY 2011-12 Assessment Revenue	\$1,807,452
Allowance for Delinquencies	(\$80,000)
Interest Earned (Expense)	\$2,000
County Administrative Fee for Assessment Collections	(\$26,934)
Total Estimated Available Resources	\$2,836,865
Expenditures (account code)	
<u>Services</u>	
Goat Grazing Program (54919)	\$365,000
Property Owner Chipping Program (54911)	\$90,000
Vegetation Management Program (54911)	\$1,000,000
Fire Prevention Education & Training Program (51000 & 58000)	\$151,700
Roving Fire Patrol Program (51000)	\$25,000
Support Services for Inspection Program	\$35,000
Public Outreach	<u>\$65,000</u>
Subtotal	\$1,731,700
<u>District Administration</u>	
Annual Audit (54111)	\$21,861
City Staff/Board Expenses (51000, 53313, & 55000)	\$10,000
Assessment Engineering (54411)	\$22,761
Performance Review (53719)	<u>\$12,500</u>
Subtotal	\$67,122
<u>Designated Reserves</u>	
FEMA Grant Matching	\$300,000
Chabot Space & Science Center Wildfire Prevention Project	\$171,000
Skyline Median Work	<u>\$4,000</u>
Subtotal	\$475,000
Total Expenditures	\$2,273,822
Contribution to/(from) Fund Balance	(\$571,304)
Estimated Ending Fund Balance	\$563,043

Cost estimates for the various WPAD programs were prepared by the City of Oakland Fire Department with input from the Wildfire Prevention Assessment District Citizen's Advisory Committee. The Oakland Wildfire Prevention Assessment District will provide the following services described below.

- **Goat Grazing Program** – Utilizes herds of goats to clear the excess brush that allows fires to spread rapidly. The goats remove vegetation from the large public open space areas within the assessment district boundaries.
- **Property Owner Chipping Program** – This program assists private property owners by providing a convenient way to dispose of tree branches, brush and other yard waste that can fuel fires. The district will provide crews to process private property owners' yard waste into wood chips or mulch for the owners' use or provide other means of disposal.
- **Vegetation Management Program** – Private contractors and city crews will provide the district's vegetation reduction and management programs for areas inappropriate for the **Goat Grazing Program**. This includes open space and canyon hill parcels, firebreaks and roadside clearance along public streets, and evacuation routes within the district. Additionally, fire companies and vegetation management inspectors annually inspect district properties to identify those that are in violation of the Oakland Fire Code. The inspectors will notify non-compliant property owners and after conducting re-inspections, property owners still in non-compliance will be charged the cost of having contractors bring the private property back into compliance.
- **Fire Prevention Education & Training Program** – Public Outreach staff will provide special training to district neighborhoods and schools in fire prevention, defensible space planning, and planning safe evacuation routes in the event of a fire.
- **Roving Fire Patrols Program** – This program will provide additional fire patrols to monitor properties within the boundaries of the assessment district during high fire hazard days to monitor, correct, and report potential fire hazards to the Fire Department.
- **Support Services for Inspection Programs** – This program provides seasonal support to the residents throughout the inspection season. They receive inquiries via phone or mail and respond to those inquiries. They also maintain the inspection database by inputting the up-to-date inspection information such as the compliance status.
- **Public Outreach** – This includes printing, duplication and postage for outreach mailings.

Resolution No. 79185 C.M.S. (May 3, 2005) provides the City Administrator with the following:

- Authorization, upon recommendation of the WPAD Citizen's Advisory Committee, to reallocate funds in program areas to address time sensitive needs;
- Authorization to adjust the WPAD budget when the tax assessment allocation is lower than projected; and
- Authorization to re-allocate prior year, unspent fund balances.

Item: _____
Finance and Management Committee
May 10, 2011

The Oakland Fire Suppression, Prevention and Preparedness District Ordinance of 2003 (Ordinance No. 12556 C.M.S.) requires that all proceeds of the assessment be maintained separately from the General Fund. Any balance remaining on June 30 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements or operating reserves for the district. On June 30, 2011 it is estimated that \$1,134,347 will be unspent from FY 2010-11 and will be available for use in FY 2011-12. Assessment revenues can only be used for the fire prevention programs and services listed in the WPAD Annual Report and cannot be diverted to other uses. City staff, with citizen input, reviews the effectiveness of each fire prevention program to determine if there should be an increase or decrease in funding or whether the program should be eliminated. The proposed listing of fire prevention programs and their corresponding budgets are presented to City Council for their review and approval annually.

Each fiscal year the City will have an independent audit conducted to ensure that assessment revenues were only expended on the authorized services and programs stated herein. The results of each independent audit are available for public inspection.

There is one attachment to the Preliminary Annual Report that is not included because of its large size. Appendix B is the FY 2011-12 Assessment Roll, a document that lists all properties within the assessment district by Assessor's Parcel Number and identifies each property's use code and assessment amount. The FY 2011-12 Assessment Roll is on file with the City Clerk.

Pursuant to the Oakland Municipal Code, the City Council must hold a public hearing to provide an opportunity for any interested party to be heard. Staff proposes that the date of the public hearing be set for Tuesday, June 7, 2011 at 6:30 p.m., or as soon thereafter as the item may be heard, in the City Council Chambers.

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 CITIZEN ACCESS

There is no direct impact to people with disabilities or to seniors associated with the City Council action requested in this report.

RECOMMENDATION(S) AND RATIONALE

Staff recommends that the City Council approve the proposed resolution.

Item: _____
Finance and Management Committee
May 10, 2011

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the attached Resolution of Intention, accept the Fiscal Year 2011-12 Preliminary Annual Report for the City of Oakland Wildfire Prevention Assessment District, and set June 7, 2011 as the date for a Public Hearing.

Respectfully submitted,



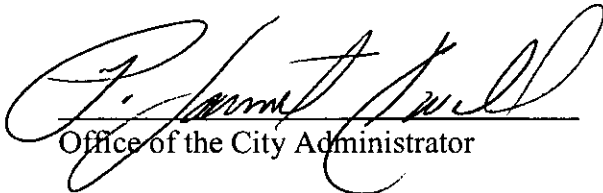
Mark Hoffmann
Interim Fire Chief



Sabrina Landreth
Budget Director

Prepared by:
Janelle Montu
City Administrator's Budget Office

**APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:**



Office of the City Administrator

CITY OF OAKLAND



CITY OF OAKLAND
WILDFIRE PREVENTION
ASSESSMENT DISTRICT



Fiscal Year 2011-12
Preliminary Annual Report

Prepared by:

Francisco & Associates, Inc.

130 Market Place, Suite 160

San Ramon, CA 94583

(925) 867-3400

May 17, 2011



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APPENDIX

Appendix A – Assessments Rates for Various Land Uses

Appendix B – FY 2011-12 Assessment Roll

CITY OF OAKLAND
CITY COUNCIL MEMBERS AND CITY STAFF

FISCAL YEAR 2011-12

MAYOR

Jean Quan

CITY COUNCIL MEMBERS

Jane Brunner, District 1
President of the Council

Patricia Kernighan, District 2
Council Member

Nancy Nadel, District 3
Council Member

Libby Schaaf, District 4
Council Member

Ignacio De La Fuente, District 5
Council Member

Desley Brooks, District 6
Council Member

Larry Reid, District 7
Council Member

Rebecca Kaplan, At Large
Council Member

CITY STAFF MEMBERS

P. Lamont Ewell
Interim City Administrator

John Russo
City Attorney

La Tonda Simmons
City Clerk

Mark Hoffmann
Interim Fire Chief

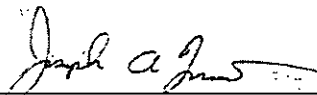
ASSESSMENT ENGINEER
Francisco & Associates, Inc.

CERTIFICATES

FISCAL YEAR 2011-12

The undersigned respectfully submits the enclosed Annual Report as directed by the City of Oakland pursuant to the provisions of Section 50078 of the Government Code of the State of California and per the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance (2003).

Dated: April 25, 2011



By: Joseph A. Francisco, P.E.
RCE NO. 40688

I HEREBY CERTIFY that the enclosed Annual Report, together with the Assessment Roll and the Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2011.

La Tonda Simmons, City Clerk
City of Oakland
Alameda County, California

By _____

I HEREBY CERTIFY that the enclosed Annual Report, together with the Assessment Roll and the Assessment Diagram thereto attached was approved and confirmed by the City Council of the City of Oakland, Alameda County, California, on the _____ day of _____, 2011.

La Tonda Simmons, City Clerk
City of Oakland
Alameda County, California

By _____

I HEREBY CERTIFY that the enclosed Annual Report, together with the Assessment Roll and the Assessment Diagram thereto attached was filed with the County Auditor of the County of Alameda, on the _____ day of _____ 2011.

Francisco & Associates, Inc.

By _____

INTRODUCTION

Pursuant to the provisions of the Government Code of the State of California, commencing with Section 50078, Article 3.6, Fire Suppression Assessments (the "Act") and per the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance (2003), this Annual Report is submitted to the City Clerk of the City of Oakland in connection with the proceedings of the City Council to consider the FY 2011-12 annual levy of assessments for the Oakland Wildfire Prevention Assessment District. I, Joseph A. Francisco, duly-authorized representative of Francisco and Associates, Inc., consultant to the City, submit this Annual Report consisting of the following parts and exhibits:

SECTION I

A listing of the fire prevention services that will be financed from the proceeds of the fire prevention assessment.

SECTION II

A description of the boundaries of the assessment district which includes properties that will benefit from the fire prevention services.

SECTION III

An estimate of the annual costs to provide the fire prevention services to be financed from the proceeds of the fire prevention assessment.

SECTION IV

A description of the methodology used to spread the costs of the fire prevention services to the benefiting properties within the boundaries of the assessment district and the duration of the assessment.

SECTION V

A description of each lot or parcel of property proposed to be subject to the fire prevention assessment, including the amount of the assessment on each lot or parcel for FY 2011-12 and the maximum amount of the assessment which may be levied on each lot or parcel during any fiscal year.

SECTION I

DESCRIPTION OF SERVICES

The Oakland Wildfire Prevention Assessment District will provide the following services described below:

Goat Grazing - Utilizes herds of goats to clear the excess brush that allows fires to spread rapidly. The goats remove vegetation from the large public open space areas within the assessment district boundaries.

Property Owner Chipping Services - This program assists private property owners by providing a convenient way to dispose of tree branches, brush and other yard waste that can fuel fires. The District provides crews to process private property owners' yard waste into wood chips or mulch for the owners' use, or provide other means of disposal.

Vegetation Management - Private contractors and city crews provide the district's vegetation reduction and management programs where the goats are not able to graze. This includes open space and canyon hill parcels, firebreaks and roadside clearance along public streets and evacuation routes within the District. Additionally, fire companies and vegetation management inspectors annually inspect District properties to identify those that are in violation of the Oakland Fire Code. The inspectors will notify non-compliant property owners and after conducting re-inspections, non-compliant property owners will be charged the cost of having contractors bring the private property back into compliance.

Fire Prevention Education & Training - Public Outreach staff provides special training to District neighborhoods and schools, to assist in preventing fires, defensible space planning and planning safe evacuation routes in the event of a fire.

Roving Fire Patrols - This program provides additional fire patrols to monitor properties within the boundaries of the assessment district during high fire hazard days to monitor, correct and report potential fire hazards to the Fire Department.

Support Services for Inspection Programs - This program provides seasonal support to the residents throughout the inspection season. They intake inquiries via phone or mail and respond to those inquiries. They also maintain the inspection database by inputting the up-to-date inspection information such as the compliance status.

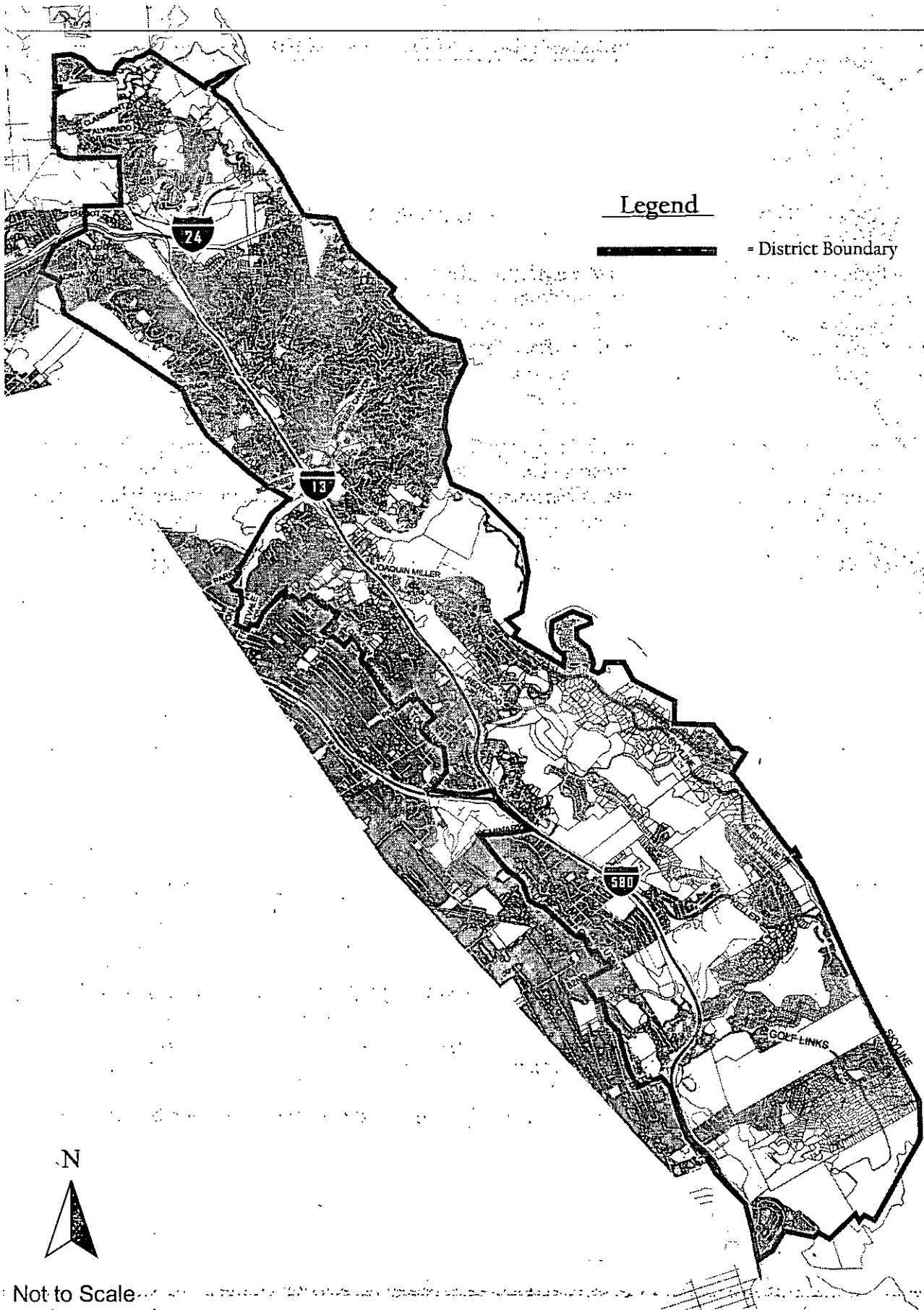
Public Outreach - This includes printing, duplication, and postage for outreach mailings.

SECTION II


DESCRIPTION OF ASSESSMENT DISTRICT BOUNDARIES

The Oakland Wildfire Prevention Assessment District boundaries were developed with assistance from the City of Oakland Fire Department and the California Department of Forestry and Fire. Properties located within the assessment district are generally within the Oakland Hills and the surrounding areas. These properties are unique because they are located within and among extreme dense vegetation which puts them at a high risk of loss or damage if a wildland fire were to start and spread.

For a more detailed description of the parcels, refer to the Assessment Diagram which is included on the following page of this report. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Alameda County Assessor's Office for the year when this Report was prepared.



Legend

 - District Boundary

N



Not to Scale

SECTION III

ESTIMATE OF ANNUAL COSTS

The proposed budget to provide the fire prevention programs for Fiscal Year 2011-12 is summarized below. These cost estimates were prepared by the City of Oakland Fire Department and the Wildfire Prevention Assessment District Citizens Advisory Committee.

Oakland Wildfire Prevention Assessment District FY 2011-12 Proposed Budget	
	Amount
Estimated Beginning Fund Balance	\$1,134,347
Revenues	
Estimated FY 2011-12 Assessment Revenue	\$1,807,452
Allowance for Delinquencies	(\$80,000)
Interest Earned (Expense)	\$2,000
County Administrative Fee for Assessment Collections	(\$26,934)
Subtotal	\$1,702,518
Total Estimated Available Resource	\$2,836,865
Expenditures (account code)	
<u>Services</u>	
Goat Grazing Program (#54919)	\$365,000
Property Owner Chipping Program (#54911)	\$90,000
Vegetation Management Program (#54911)	\$1,000,000
Fire Prevention Education & Training Program (#51000 & #58000)	\$151,700
Roving Fire Patrol Program (#51000)	\$25,000
Support Services for Inspection Programs (#54711)	\$35,000
Public Outreach (#53611, & #54711)	\$65,000
Subtotal	\$1,731,700
<u>District Administration</u>	
Annual Audit (#54111)	\$21,861
City Staff/Board Expenses (#51000, #53313, & #55000)	\$10,000
Assessment Engineering (#54411)	\$22,761
Performance Review (#53719)	\$12,500
Subtotal	\$67,122
<u>Designated Reserves</u>	
FEMA Grant Matching	\$300,000
Chabot Space & Science Center Wildfire Prevention Project	\$171,000
Skyline Median Work	\$4,000
Subtotal	\$475,000
Total Expenditures	\$2,273,822
Estimated Contributions to/(from) Fund Balance	(\$571,304)
Estimated Ending Fund Balance	\$563,043

The Act requires that a special separate fund be established for the revenues and expenditures of the District. Any balance remaining on June 30 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements (e.g. tiger mower or chipper) and operating reserves for this district. Assessment revenues can only be used for the fire prevention programs and services stated herein and cannot be diverted to other uses.

Each year City staff, with citizen input, will review the effectiveness of each fire prevention program to determine if there should be an increase or decrease in funding or whether the program should be eliminated. The proposed listing of fire prevention programs and their corresponding budgets are presented to City Council for their review and approval annually.

Each fiscal year the City will have an independent audit conducted to ensure that assessment revenues were only expended on the authorized services and programs stated herein. The results of each independent audit will be available for public review.

SECTION IV

DESCRIPTION OF THE BENEFIT SPREAD METHODOLOGY

The following benefit allocation methodology was developed to establish the basis for apportioning the cost of fire prevention programs to each lot or parcel within the assessment district, based upon the size and type of use of each property. The benefit allocation methodology was developed by Francisco & Associates, Inc. based upon information provided by the City of Oakland, discussions with City staff, Fire District personnel, the requirements of Article 3.6, of the Government Code 50078.2 entitled, "Fire Suppression Assessments" and per the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance (2003):

Properties located within the Oakland Hills and surrounding areas are at a disproportionately high risk of damage resulting from the spread of wildfires. The assessment district is made up of parcels which all share this greater than average vulnerability. In order to mitigate the wildfire threat to this area, the Oakland Wildfire Prevention Assessment District generates funding to supply additional fire prevention programs to these high risk properties. The fire prevention services focus on sharply reducing excess brush, grasses and other fuels that allow fires to start and spread rapidly, educating District property owners about fire prevention efforts and safe courses of action in the event of a fire, and provide roving fire patrols in the area on high fire hazard days.

Reducing wildfire fuel sources within the assessment district creates defensible spaces and firebreaks to impede a fire's ability to spread quickly. These defensible spaces and firebreaks enable firefighters to surround and contain the fire more easily. Each parcel in the District benefits from the fire prevention programs which enhance the ability to confine a fire before it can extend its reach across multiple properties. Parcels located within these well-cleared areas also have a reduced risk of damage or loss to their buildings and structures if a fire were to occur.

ASSESSABLE PARCELS

The land use classifications which are included within the boundaries of the assessment district are defined as follows:

Single-Family – Single-family parcels are defined as parcels that have a land use classification as single-family residential with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Condominium/Townhome – Condominium and townhome parcels are defined as parcels that have a land use classification as condominium, townhome, attached planned unit development, or co-op with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Multi-Family – Multi-family parcels are defined as parcels that have a land use classification as multifamily, which includes duplexes, triplexes, apartments, etc., with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Mobile Home – Mobile home parcels are defined as parcels that have a land use classification as mobile home with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Commercial/Industrial – Commercial and industrial parcels are defined as parcels that have a land use classification as commercial or industrial with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Recreational/Institutional/Utility – Recreational, institutional and utility parcels are defined as parcels that have a land use classification as recreational or institutional with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Public Parcels – Public parcels are defined as parcels that have a land use classification as public with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

BENEFIT UNITS

To establish the benefit assessment amount for each individual parcel a benefit unit system has been developed. Each parcel is assigned benefit units in proportion to the estimated benefit the parcel receives from the fire prevention programs. The benefit assessment amount for each parcel is then determined by multiplying the number of benefit units for each parcel by \$65.00. In order to calculate the benefit units for each parcel, two (2) components were considered. These components are the number of Equivalent Dwelling Units and the Benefit Factor as described below:

Equivalent Dwelling Units

Since the properties within the assessment district vary in parcel size and in use of the property, the benefit unit system must make sure that the parcels are assessed in proportion to the benefit they receive from the fire prevention programs. One common Assessment Engineering method used to equate this deviation in parcel size and use is the Equivalent Dwelling Unit. This process takes the typical single-family parcel and assigns it one (1.00) Equivalent Dwelling Unit (EDU). All other land uses are compared to the single-family parcel and assigned a proportionate number of EDUs. For example, a developed condominium parcel is typically smaller in parcel size and has less improved square footage compared to a developed single-family parcel. Therefore, in order to make sure the developed condominium parcel is assessed less than the developed single family parcel the condominium parcel is assigned fewer EDUs. The number of Equivalent Dwelling Units assigned to each land use class within the assessment district is summarized on the following page:

Single Family Parcels – Since the single family parcel represents over 80 percent of the total parcels within the assessment district, it is used as the basic unit and is defined as one equivalent dwelling unit (1.0 EDU).

Condominium/Townhome Parcels – Condominium and townhome parcels are typically smaller in structure/building size relative to the typical single family residence. Therefore, condominium and townhome parcels are defined as 0.75 EDUs.

Multi-family and Mobile Home Parcels – Multi-family units and mobile home parcels are also typically smaller in structure/building size relative to the typical single family residence. Therefore multi-family units and mobile home parcels are defined as 0.50 EDUs per unit.

Commercial, Industrial, Recreational, Institutional, Utility and Public Parcels – Commercial, industrial, recreational, institutional, utility and public parcels are converted to EDUs based on the lot size of each parcel of land. Within the District boundaries, the approximate density of the single-family residential parcels per acre is 4.23 single-family parcels/acre. Therefore, Commercial, Industrial, Recreational, Institutional and Public Parcels are assessed 4.23 EDUs per acre.

Benefit Factor Allocation

Since the properties within the assessment district vary in their development status (e.g., developed, improved and undeveloped), the Benefit Unit System must make sure that the parcels are assessed in proportion to the special benefit they receive from the fire prevention programs. Therefore all of the parcels within the boundaries of the assessment district have been assigned to one of the following development categories:

Developed: The parcel has a significant building or structure. For example, a single family home, apartment building, commercial or industrial building, library, etc.).

Improved: The parcel does not have a building or structure but has minimal improvements such as landscaping and irrigation. This classification could apply to parks, golf courses, cemeteries, etc. If a large parcel such as a golf course parcel has a structure (i.e. clubhouse), then only that portion of the parcel that contains the structure will be classified as developed and the remaining portion will be classified as improved.

Undeveloped: The parcel does not have any improvements.

The method used to calculate this deviation in the parcel's development status is the Benefit Factor. Because the developed property will receive the greatest amount of special benefit from the fire prevention programs the developed category has been assigned a Benefit Factor of 1.00. All other development categories are compared to the developed category and assigned a Benefit Factor based upon the estimated special benefit they receive from the fire prevention programs relative to the developed category.

In order to determine the Benefit Factor that should be assigned to each development category, we first determined the special benefits that developed parcels could receive from the fire prevention programs. These special benefits generally fall within the following categories:

- Protection of the house or building structure.
- Protection of minor structures such as garages, fences, decks, etc.
- Protection of the installed landscaping and irrigation.
- Protection of natural vegetation.
- Reduced risk of potential liability if a fire starts on a parcel.
- Protection against the risk of clean-up costs after a fire event (removal of destroyed structures, dead vegetation, etc.).

Each development category was compared to the developed category and then assigned a Benefit Factor in proportion to the estimated benefits the development category receives relative to the developed parcel. The tables shown below indicate which special benefits the developed, improved and undeveloped parcels receive from the proposed fire prevention programs.

Developed Parcels (Public and Private) – Special Benefits

Special Benefits Received	Benefit Received
Protection of the house or building structure	Yes
Protection of minor structures such as garages, decks, sheds, etc	Yes
Protection of installed landscaping and irrigation	Yes
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	Yes
Protection against the risk of clean-up costs after a fire event	Yes

Improved Parcels (Public and Private) – Special Benefits

Special Benefits Received	Benefit Received
Protection of the house or building structure	No
Protection of minor structures such as garages, decks, sheds, etc	No
Protection of installed landscaping and irrigation	Yes
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	Yes
Protection against the risk of clean-up costs after a fire event	Yes

Undeveloped Private Parcels – Special Benefits Factor

Special Benefits Received	Benefit Received
Protection of the house or building structure	No
Protection of minor structures such as garages, decks, sheds, etc	No
Protection of installed landscaping and irrigation	No
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	Yes
Protection against the risk of clean-up costs after a fire event	Yes

Undeveloped Public Parcels – Special Benefits Factor

Special Benefits Received	Benefit Received
Protection of the house or buliding structure	No
Protection of minor structures such as garages, decks, sheds, etc	No
Protection of installed landscaping and irrigation	No
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	No
Protection against the risk of clean-up costs after a fire event	Yes

Based upon discussions with City staff, the Fire Department and citizen input from the Wildfire Prevention District Steering Committee, the following Benefit Factors have been assigned to each development category as shown below:

Development Status	Benefit Factor
Developed Private and Public Properties	1.0000
Improved Private and Public Parcels	0.3000
Undeveloped Private Parcels	0.2500
Undeveloped Public Parcels	0.1250

Calculation of Benefit Units

To calculate each parcel's number of Benefit Units, the Equivalent Dwelling Units (EDUs) assigned to each parcel are multiplied by the Benefit Factor assigned to each parcel as shown below:

$$\text{Benefit Units} = \text{Number of Equivalent Dwelling Units (EDUs)} \times \text{Benefit Factor (BF)}$$

The Benefit Units assigned to each parcel classification within the assessment district is shown on the following page:

Oakland Wildfire Prevention Assessment District Benefit Unit Calculations			
<u>Developed Land Use</u>	Equivalent Dwelling Units (EDUs)	Benefit Factor (BP)	Benefit Units (BUs)
Single Family Residential	1.000 per Parcel	1.000 per Parcel	1.000 per Parcel
Condominium/Townhouse	0.750 per Unit	1.000 per Unit	0.750 per Unit
Multi-Family (Apartments) and Mobile Home	0.500 per Unit	1.000 per Unit	0.500 per Unit
Commercial, Industrial, Public Institutional, Recreational, Utility	4.230 per Acre	1.000 per Acre	4.230 per Acre
<u>Improved Land Use</u>	Equivalent Dwelling Units (EDUs)	Benefit Factor (BF)	Benefit Units (BUs)
Commercial, Industrial, Public Institutional, Recreational, Utility	4.230 per Acre	0.300 per Acre	1.269 per Acre
<u>Undeveloped Land Use</u>	Equivalent Dwelling Units (EDUs)	Benefit Factor (BF)	Benefit Units (BUs)
Single Family Residential	1.000 per Parcel	0.250 per Parcel	0.250 per Parcel
Commercial, Industrial, Institutional, Recreational, Utility Condominium/Townhouse, Multifamily, Mobile Home	4.230 per Acre	0.250 per Acre	1.058 per Acre
Public	4.230 per Acre	0.125 per Acre	0.529 per Acre

FINAL ASSESSMENT RATES AND BUDGET (FY2011-12)

The assessment rate has been set at \$65.00 per Benefit Unit. The total estimated number of Benefit Units within the assessment district is 27,806.95 Benefit Units. Therefore the total revenue expected to be generated for FY 2011-12 is \$1,807,451.86. ($\$65.00/\text{BU} \times 27,806.95 \text{ BUs}$)

MAXIMUM ASSESSMENT

The maximum assessment amount that can be levied in any given year is \$65.00 per Benefit Unit. The assessment amount may not be increased above these levels in the future unless either a parcel changes development status (e.g. goes from undeveloped to developed) or a new balloting procedure is held and the increased assessment is approved by a majority of the property owners voting, weighted by assessment amount. The City Council does have the authority to levy the annual assessment at a rate less than \$65.00 per Benefit Unit.

DURATION OF ASSESSMENT

The proposed assessment may be levied annually by the City Council, beginning July 1, 2004 for a period of ten (10) years.

ACCURACY OF DATA

The data utilized in developing the assessment rate calculations has been taken directly from the Alameda County Assessors Roll. Should a property owner find a discrepancy regarding his/her parcel, the property owner or designee should notify the City Clerk of the City of Oakland in writing at One Frank H. Ogawa Plaza, Oakland, CA. If warranted, the City will process a correction to the property owner's annual assessment.

SECTION V

ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels, and the description of each lot or parcel within the Oakland Wildfire Prevention Assessment District is shown on the last equalized Property Tax Roll of the Alameda County Assessor, which by reference is hereby made a part of this report.

This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll, which includes the proposed amount of assessments apportioned to each lot or parcel. The Assessment Roll is included in this report in Appendix "B".

APPENDIX "A"

SAMPLE ASSESSMENTS FOR VARIOUS LAND USES

Oakland Wildfire Prevention Assessment District Assessments Rates			
<u>Developed Land Use</u>	<u>Benefit Units (BUs)</u>	<u>Annual Assessment</u>	<u>Monthly Equivalent</u>
Single Family Residential	1.000 per Parcel	\$65.00 per Parcel	\$5.42 per Parcel
Condominium/Townhouse	0.750 per Unit	\$48.75 per Unit	\$4.06 per Unit
Multi-Family (Apartments) Mobile Home	0.500 per Unit	\$32.50 per Unit	\$2.71 per Unit
Commercial, Industrial, Pubhc Institutional, Recreational, Utility	4.230 per Acre	\$274.95 per Acre	\$22.91 per Acre
<u>Improved Land Use</u>	<u>Benefit Units (BUs)</u>	<u>Annual Assessment</u>	<u>Monthly Equivalent</u>
Commercial, Industrial, Pubhc Institutional, Recreational, Utility	1.269 per Acre	\$82.49 per Acre	\$6.87 per Acre
<u>Undeveloped Land Use</u>	<u>Benefit Units (BUs)</u>	<u>Annual Assessment</u>	<u>Monthly Equivalent</u>
Single Family Residential	0.250 per Parcel	\$16.25 per Parcel	\$1.35 per Parcel
Commercial, Industrial, Condominium/Townhouse, Institutional, Recreational, Utihty Multifamily, Mobile Home	1.058 per Acre	\$68.74 per Acre	\$5.73 per Acre
Pubhc	0.529 per Acre	\$34.37 per Acre	\$2.86 per Acre

APPENDIX B

FY 2011-12 Assessment Roll
(On File with the City Clerk)

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2011 APR 28 PM 7:28

Approved as to Form and Legality

M. M. Mowdom
Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

RESOLUTION OF INTENTION TO LEVY ASSESSMENTS, ACCEPTANCE OF THE FY 2011-12 PRELIMINARY ANNUAL REPORT FOR THE CITY OF OAKLAND WILDFIRE PREVENTION ASSESSMENT DISTRICT, AND SETTING JUNE 7, 2011 AS THE DATE FOR A PUBLIC HEARING

WHEREAS, the City of Oakland Wildfire Prevention Assessment District (WPAD) was established on January 20, 2004 under the authority of the Oakland Fire Suppression, Prevention and Preparedness District Ordinance of 2003 (Ordinance No. 12556 C.M.S.); and

WHEREAS, pursuant to the Oakland Municipal Code, the City is required to review and approve the Preliminary Engineer's Report, confirm the assessment proposed in the Preliminary Engineer's Report, and levy the assessment each year; and

WHEREAS, the City Administrator filed with the City Clerk and presented before the Finance and Management Committee on May 10, 2011, reports for the continuation of the Wildfire Prevention Assessment District in order to finance the costs and expenses related to fire suppression, prevention and preparedness services and programs in the Oakland hills; and

WHEREAS, the District Engineer has submitted the Preliminary Annual Report for the District confirming the applicability of the existing assessment rates for FY 2011-2012, which is on file with the City Clerk; now, therefore be it

RESOLVED: That the City Council intends to levy and collect assessments within the City of Oakland Wildfire Prevention Assessment District for FY 2011-2012, with no increase in assessments from prior years; and be it

FURTHER RESOLVED: That the City Council preliminarily accepts the Preliminary Annual Report for the Wildfire Prevention Assessment District for discussion purposes; and be it

FURTHER RESOLVED: That all the area of land to be assessed is located in the City of Oakland, Alameda County; and be it

FURTHER RESOLVED: That City Council authorizes the City Administrator upon recommendation of the WPAD Citizen's Advisory Committee to (a) reallocate funds in program areas to address time-sensitive needs; (b) adjust the FY 2011-12 WPAD budget when the tax assessment allocation is lower than projected; and (c) re-allocate prior year, unspent fund balances net of all commitments; and be it

FURTHER RESOLVED: That a public hearing is set for June 7, 2011 at 6:30 p.m., or as soon thereafter as the item may be heard, in the City Council Chambers, Oakland City Hall, One Frank H. Ogawa Plaza, Oakland, California regarding the FY 2011-12 Wildfire Prevention Assessment District and the levy of assessments; and be it

FURTHER RESOLVED: That the Office of the City Administrator is directed to publish notice of the public hearing no later than May 28, 2011.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF, BRUNNER, AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST:

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