

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
2005 NOV -2 PM 4:35

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: November 15, 2005

RE: **Ordinance amending Ordinance Number 12676 C.M.S. (FY 2005-06 Master Fee Schedule), as amended; to modify Rent Adjustment and Enterprise Zone Hiring Credit Voucher Fees assessed by the Community and Economic Development Agency**

SUMMARY

An ordinance has been prepared to modify Rent Adjustment and Enterprise Zone Hiring Credit Voucher Fees assessed by the Community and Economic Development Agency. Due to a clerical error, an incorrect interim FY 2005-06 Master Fee Schedule was inadvertently forwarded to the Budget Office. This error was not detected until recently. The FY 2005-06 Master Fee Schedule needs to be modified for two types of fees, Rent Adjustment and Enterprise Zone Hiring Credit Voucher fees. The correct fees are reflected in the FY 2005-07 Adopted Budget, and this action will bring the FY 2005-06 Master Fee Schedule in line with the FY 2005-07 Adopted Budget.

FISCAL IMPACT

There is no fiscal impact to the FY 2005-07 Adopted Budget resulting from adoption of the corrected fees. However, if the corrected fees are not adopted, revenues for rent adjustment fees in the General Purpose Fund (#1010) in the Miscellaneous Fees Account (#45419) would be 10% higher than allowed by the legislation. This would result in an over collection of approximately \$150,000. In addition, revenues would be reduced by \$75,000 for the Enterprise Zone Hiring Credit Voucher fees, Job Training Partnership Act Grants Account (#46125) in the Workforce Development Fund (#2195).

BACKGROUND

The 2005-06 Master Fee Schedule was adopted with the FY 2005-07 Budget on June 28, 2005 in Ordinance Number 12676 C.M.S. At the October 13, 2005 meeting of the Rules Committee, this item was approved to go directly to the City Council meeting of November 15, 2005, due to the fact that there was no room on the November 8th Finance and Management Committee meeting and there was an urgency to correct this clerical error in December. The Public Hearing and first reading of the Ordinance will take place on November 15, 2005. The second reading would be at the next City Council meeting on December 6, 2005.

Item: _____
City Council
November 15, 2005

KEY ISSUES AND IMPACTS

Due to a clerical error, a 10% cost of living adjustment escalator was inadvertently added to the Rent Adjustment fees making them higher than allowed by the legislation. The same escalator was applied to Enterprise Zone Hiring Credit Voucher fees, resulting in a \$44.00 fee rather than the \$50.00 approved in the FY 2005-07 Adopted Budget. The increase was needed to offset administrative costs of \$10.00 per voucher. Without the increase only \$4.00 of the \$10.00 will be collected, resulting in a \$75,000 shortfall in revenues. Few vouchers have been issued to date so the decrease in revenues resulting from the lower fee should be minimal if the increased fee is adopted.

SUSTAINABLE OPPORTUNITIES

Economic: The revenues collected will support the Rent Adjustment and Workforce Development programs of the City.

Environmental: There are no environmental opportunities as the result of the amendment of the FY 2005-06 Master Fee Schedule.

Social Equity: The Rent Adjustment Fees and Workforce Development fees support two programs which support social equity to all City residents.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no impact to disabled or senior citizen access.

RECOMMENDATION(S) AND RATIONALE

Staff recommends that the City Council approve the ordinance modifying the FY 2005-06 Master Fee Schedule, for Rent Adjustment and Workforce Development fees assessed by the Community and Economic Development Agency. A public hearing will be scheduled at the time of the first reading of the proposed ordinance on November 15, 2005. The proposed fees are detailed in Exhibit A.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the ordinance.

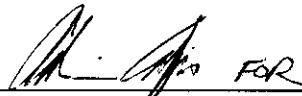
Item: _____
City Council
November 15, 2005

Deborah Edgerly

Re: Community and Economic Development Agency, Administration Division – Corrections to
the Master Fee Schedule

Page 3

Respectfully submitted,



Dan Vanderprie, Director of Redevelopment,
Economic Development, Housing and
Community Development, Community and
Economic Development Agency

Prepared by:

Sandra R. Sato, Agency Administrative
Manager, Administration Division, Community
and Economic Development Agency

APPROVED AND FORWARDED TO THE
COUNCIL:


OFFICE OF THE CITY ADMINISTRATOR

Item: _____
City Council
November 15, 2005

OFFICE OF THE CITY CLERK
Approved as to Form and Legality
[Signature]
Oakland City Attorney's Office 35

OAKLAND CITY COUNCIL

Ordinance No. _____ C.M.S.

Introduced by Councilmember _____

ORDINANCE AMENDING ORDINANCE 12676 C.M.S. (MASTER FEE SCHEDULE), AS AMENDED; TO MODIFY RENT ADJUSTMENT AND ENTERPRISE ZONE HIRING CREDIT VOUCHER FEES ASSESSED BY THE COMMUNITY AND ECONOMIC DEVELOPMENT AGENCY

WHEREAS, the City of Oakland periodically updates its Master Fee Schedule to account for general cost of living increases and program changes or other costs; and

WHEREAS, through a clerical error the Rent Adjustment and Enterprise Zone Hiring Credit Fees were incorrectly listed on the Master Fee Schedule adopted by the City Council in Ordinance Number 12676; and

WHEREAS, said fees need to be correctly listed on the Master Fee Schedule in order to agree with the Adopted Budget; now, therefore,

THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN THAT:

Section 1. The Master Fee Schedule as set forth in Ordinance Number 12676 C.M.S., as amended, is hereby modified as set forth in Exhibit A, attached hereto and made a part hereof

Section 2. This Ordinance shall be effective upon approval by the City Council of Oakland.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2005

PASSED BY THE FOLLOWING VOTE:

- AYES -
- NOES -
- ABSENT -
- ABSTENTION -

ATTEST:

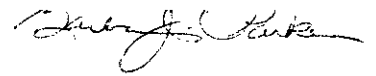
LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California

Community and Economic Development Agency

**Master Fee Schedule Corrections
FY 05-06**

Exhibit A

Fee Description	Page No.	Recommended Corrections/Changes	Reason for Corrections/Changes
Residential Rent Adjustment			
A. Rent Program Service Fee #1. Annual Service Fee per Unit..	N-24	Fee should be \$24.00, not \$26.00	Legislated Fee Not Subject to COL
A. Rent Program Service Fee #2. If paid within 30 days...	N-24	Fee should be \$24.00, not \$26.00	Legislated Fee Not Subject to COL
A. Rent Program Service Fee #3. If paid within 60 days...	N-24	Fee should be \$24.00, not \$26.00	Legislated Fee Not Subject to COL
A. Rent Program Service Fee #4. If paid after 60 days...	N-24	Fee should be \$250.00, not \$275.00	Legislated Fee Not Subject to COL
Workforce Development			
A. Process Fee #1. Enterprise Zone Hiring Tax Credit Vouchers...	N-24	Fee should be \$50.00 each, not \$44.00	Fee increase per Adopted Budget



NOTICE AND DIGEST

OFFICE OF THE CITY CLERK
CITY OF TAMPA

2005 NOV -2 PM 4: 35

This Ordinance authorizes an amendment to Ordinance Number 12676 C.M.S. (Master Fee Schedule), to increase fees assessed by the Community and Economic Development Agency. These amended fees would become effective December 6, 2005 and would remain in effect until further notice. A public hearing has been scheduled to review the proposed fee changes. The meeting will take place at the time of the first reading of the proposed ordinance by the Council on November 15, 2005.

CITY OF OAKLAND

OFFICE OF THE CITY CLERK
OAKLAND

NOTICE OF PUBLIC HEARING

2005 NOV -2 PM 4:35

Notice is hereby given that on **Tuesday, November 15, 2005, at 7:00 p.m.**, or as soon thereafter as possible, in **Oakland City Hall, Third Floor, City Council Chambers, One Frank H. Ogawa Plaza**, the Oakland City Council will hold a public hearing during the first reading of a proposed ordinance to amend the Rent Adjustment and Enterprise Zone Hiring Credit Voucher fees charged by the Community and Economic Development Agency. The purpose of the public hearing is to hear testimony of all interested parties and to adopt an ordinance amending Ordinance 12676 C.M.S. (Master Fee Schedule).

The fees are being amended due to a clerical error which incorrectly showed Rent Adjustment fees as being increased by 10% when in fact there should have been no increase. Also, the Enterprise Zone Hiring Credit Voucher fee was incorrectly shown as \$44.00 when it should have been listed as \$50.00 in the Master Fee Schedule as contained in Ordinance 12676 C.M.S. The proposed ordinance to amend the Master Fee Schedule would become effective on December 6, 2005 and remain in effect until further notice. Said public hearing may be adjourned from time to time until completed.

All interested parties are welcome to attend and present comments on the proposed amendment to the Master Fee Schedule. Copies of the staff report and the proposed ordinance will be available at the City Clerk's Office, Oakland City Hall, Second Floor, One Frank H. Ogawa Plaza, beginning at 12:00 p.m. on Friday, November 4, 2005. For more information, please contact Sandra Sato, Agency Administrative Manager, by phone at (510) 238-3982 or by e-mail at ssato@oaklandnet.com.