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OFFICE OF THE CITY CLERK  
OAKLAND

2009 MAY 29 AM 12:57

# CITY OF OAKLAND

## AGENDA REPORT

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Budget Office  
DATE: June 1, 2009

RE: **Ordinance Authorizing A Fiscal Year 2009-10 Increase To A Special Tax Imposed For Emergency Medical Services In Accordance With The Emergency Medical Services Retention Act of 1997 (Measure M), And Setting June 16, 2009 As The Date For A Public Hearing**

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### SUMMARY

Attached for City Council consideration is an ordinance authorizing a FY 2009-10 adjustment, consistent with the Consumer Price Index (CPI), to the special parcel tax for the Emergency Medical Services Retention Act of 1997.

In June 1997, the electorate of Oakland approved, by more than a two-thirds majority, the *Emergency Medical Services Retention Act of 1997, Measure M*. The measure imposed a parcel tax for the purpose of raising revenue necessary to retain and enhance emergency dispatch and medical services in the City of Oakland, and replaced funding from a previous assessment imposed by the City that was invalidated by Proposition 218. The Measure M legislation authorizes the City Council to increase the tax rates by a cost-of-living factor beginning in Fiscal Year 1998-99 and continuing each fiscal year thereafter. A 3.1 percent increase to Measure M special parcel tax rates is proposed for FY 2009-10, consistent with the CPI increase for the San Francisco Bay Area during calendar year 2008.

A public hearing on the proposed ordinance to increase the Measure M special parcel tax is scheduled for June 16, 2009 at 7:00 p.m.

### FISCAL IMPACT

The FY 2009-10 estimated revenue from Measure M is \$1.77 million, including the proposed rate increases. The proposed annual rate increase of 3.1 percent translates to \$53,444 of the total FY 2009-10 estimated revenue.

### BACKGROUND

Beginning FY 1998-99 and continuing each fiscal year thereafter, the Measure M legislation allows the City Council to adjust the tax rates in accordance with the CPI for the immediate San

Item: \_\_\_\_\_  
City Council / ORA  
June 1, 2009

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.

The following table summarizes the historical tax rate increases that have been authorized pursuant to City Council action since the legislation was enacted:

<i>Council Action Date</i>	<i>Percent Increase</i>	<i>Effective Date</i>
<i>July 11, 2000</i>	<i>4.2%</i>	<i>July 1, 2000</i>
<i>June 5, 2001</i>	<i>4.5%</i>	<i>July 1, 2001</i>
<i>June 11, 2002</i>	<i>5.0%</i>	<i>July 1, 2002</i>
<i>June 19, 2003</i>	<i>1.6%</i>	<i>July 1, 2003</i>
<i>June 10, 2004</i>	<i>1.8%</i>	<i>July 1, 2004</i>
<i>June 16, 2005</i>	<i>1.2%</i>	<i>July 1, 2005</i>
<i>June 8, 2006</i>	<i>2.0%</i>	<i>July 1, 2006</i>
<i>June 19, 2007</i>	<i>3.2%</i>	<i>July 1, 2007</i>
<i>June 17, 2008</i>	<i>3.3%</i>	<i>July 1, 2008</i>

**KEY ISSUES AND IMPACTS**

The proposed ordinance applies an adjustment of 3.1 percent to the current Measure M special parcel tax amount, effective July 1, 2009. This increase is per the actual change in the San Francisco Bay Area CPI during calendar year 2008. 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 increases by parcel type:*

<b>Parcel Type</b>	<b>Current Parcel Rate</b>	<b>Proposed Increase</b>	<b>FY 2009-10 Parcel Rate</b>
Single Family Residential Parcels	\$11.70	\$0.36	\$12.06
Multiple Residential (2 to 4 units)	\$23.41	\$0.72	\$24.13
Multiple Residential (5 or more units)	\$58.52	\$1.81	\$60.33
Commercial	\$23.41	\$0.72	\$24.13
Industrial	\$46.82	\$1.45	\$48.27
Rural	\$11.70	\$0.36	\$12.06
Institutional	\$11.70	\$0.36	\$12.06

**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 adopt the proposed ordinance.

**ACTION REQUESTED OF THE CITY COUNCIL**

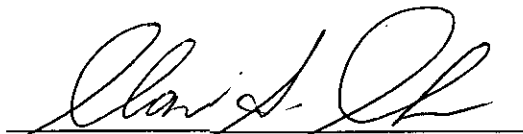
Staff recommends that the City Council adopt the proposed ordinance authorizing a 3.1 percent increase, consistent with CPI, in the tax imposed pursuant to the Emergency Medical Services Retention Act of 1997.

Respectfully submitted,

  
CHERYL TAYLOR  
Budget Director

Prepared by:  
Kirby Smith, Financial Analyst  
City Administrator's Budget Office

APPROVED AND FORWARDED TO THE  
CITY COUNCIL

  
Office of the City Administrator

Item: \_\_\_\_\_  
City Council / ORA  
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Approved as to Form and Legality

  
Oakland City Attorney's Office

## OAKLAND CITY COUNCIL

Ordinance No. \_\_\_\_\_ C.M.S.

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**ORDINANCE AUTHORIZING A FISCAL YEAR 2009-10 INCREASE TO A SPECIAL TAX IMPOSED FOR EMERGENCY MEDICAL SERVICES IN ACCORDANCE WITH THE EMERGENCY MEDICAL SERVICES RETENTION ACT OF 1997 (MEASURE M) AND SETTING JUNE 16, 2009 AS THE DATE FOR A PUBLIC HEARING**

**WHEREAS**, in 1997 the voters of Oakland approved Measure M, a special tax to fund emergency medical services; and

**WHEREAS**, Measure M imposed 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 M provided that beginning in fiscal year 1998-99 and each fiscal year thereafter, the Oakland City Council may increase the tax only upon a finding that the cost of living in the immediate San Francisco Bay Area, as shown by the Consumer Price Index (CPI) for all items, has increased since the 1997 index year; and

**WHEREAS**, Measure M 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 the immediately preceding fiscal year; and

**WHEREAS**, a public hearing on this ordinance to increase the Measure M special parcel tax was held on June 16, 2009 at 7:00 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 216.0 for calendar year 2007 and that the Consumer Price Index for calendar year 2008 was 222.8.

2. The cost-of-living in the immediate San Francisco Bay Area as shown by the Consumer Price Index, has increased 3.1 percent between calendar year 2007 and calendar year 2008.

3. The Measure M special tax rate upward adjustment shall be 3.1 percent, effective July 1, 2009, pursuant to the Measure M 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, 2009 for FY 2009-10:

PROPOSED MEASURE M TAX INCREASES BY PARCEL TYPE			
Parcel Type	Current Parcel Rate	Proposed Increase	FY 2009-10 Parcel Rate
Single Family Residential Parcels	\$11.70	\$0.36	\$12.06
Multiple Residential (2 to 4 units)	\$23.41	\$0.72	\$24.13
Multiple Residential (5 or more units)	\$58.52	\$1.81	\$60.33
Commercial	\$23.41	\$0.72	\$24.13
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Rural	\$11.70	\$0.36	\$12.06
Institutional	\$11.70	\$0.36	\$12.06

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

**PASSED BY THE FOLLOWING VOTE:**

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

NOES -

ABSENT -

ABSTENTION -

ATTEST:

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