

# CITY OF OAKLAND

## AGENDA REPORT

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2009 APR 30 PM 8:03

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Budget Office  
DATE: May 12, 2009

RE: **Report on FY 2008-09 Third Quarter Revenue and Expenditure Results and Year-End Projections For the General Purpose Fund (1010); and the Status of Implementing the October Budget Revisions.**

**Resolution Authorizing Acceptance And Appropriation Of A Contribution Of Redevelopment Agency Funds To The City Under The Cooperation Agreement For The Nuisance Abatement Program For Fiscal Year 2008-09 In The Amount Of \$135,834**

**Resolution Authorizing the Agency Administrator to Fund Nuisance Abatement Program Partially Using Oakland Redevelopment Agency Funds Totaling \$135,834.**

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### SUMMARY

This report provides details on the actual collection of revenues in the General Purpose Fund (GPF) through the end of the third quarter of the fiscal year (March 31, 2009), and presents year-end revenue projections. Additionally, a resolution required by the Oakland Redevelopment Agency (ORA) is attached to this report. It seeks Council confirmation of a decision to fund \$135,834 of Nuisance Abatement program's expenses using ORA funds. The funding transfer was one of the balancing measures implemented during the October 2008 budget revision.

Analysis of GPF expenditures for the third quarter, along with an updated status of implementing October 2008 and March 2009 budget revisions, will be included in a supplemental report distributed on May 8, 2009.

### FISCAL IMPACT

The third quarter revenue report includes an analysis of actual revenues for the General Purpose Fund for the nine-month period of July 1 through March 31, 2009, and projects year-end revenue generation, highlighting significant trends.

A **\$16.15 million revenue shortfall** is projected in the GPF by year-end, compared to just \$0.75 million under-collection estimated in January 2009. Revenue shortfalls are anticipated in most sources, with major declines projected in Fines and Penalties, Property Tax, Transient Occupancy Tax, Service Charges and Sales Tax.

Item: \_\_\_\_\_  
Finance and Management Committee  
May 12, 2009

## DISCUSSION

The information in this report is organized by category for GPF revenues. Each section provides an overview of actual revenues collected during the first nine months of the fiscal year and projects receipts through the end of the year.

### 1. GENERAL ECONOMIC OVERVIEW

The U.S. economy is now in its sixth consecutive quarter of a very severe recession that began in December 2007. The Bureau of Economic Analysis (BEA) reported that the final fourth quarter 2008 estimate of real Gross Domestic Product (GDP) fell steeply by -6.3 percent, after falling by 0.5 percent in the third quarter of the calendar year (e.g. July – September). The fourth quarter decline of 6.3 percent was the worst since 1980, when GDP declined by 7.8 percent in the second quarter. GDP and business activities have been driven down by significant declines in the housing market, credit availability, employment, consumer expenditures, and exports.

**Consumer Spending** – The decrease in real GDP in the fourth quarter of 2008 (calendar year) was primarily due to significant declines in exports, personal consumption expenditures, equipment and software, and residential fixed investments. The BEA reported that consumer spending, which accounts for about 70 percent of GDP, fell by 4.3 percent in the fourth quarter, after falling 3.8 percent in the third quarter. The last time there were two consecutive quarterly declines as steep occurred in 1980, when a second quarter decline of 8.6 percent was reported. Exports -- until recently an important positive contributor of real GDP growth -- decreased in the fourth quarter 2008 by 23.6 percent, compared to an increase of three percent in the third quarter. This large reduction in U.S. real exports coincided with the International Monetary Fund's report that the world's advanced and emerging economies suffered major recessionary declines in the fourth quarter 2008.

**Employment** – U.S. employment data revealed that the steady decline of non-farm payroll employment, which began in 2008, continues to the current period. In March 2009, non-farm payroll employment continued to decline sharply (-\$663,000), and the unemployment rate rose from 8.1 to 8.5 percent according to the Bureau of Labor Statistics. Since the recession began in December 2007, a total of 5.1 million jobs have disappeared, with almost two-thirds (3.3 million) of the decrease occurring in the last five months.

**Housing** – The U.S. housing market continues its downturn, with median home sales prices and sales volume still in decline. The National Association of Realtors reported through February 2009 that sales volume fell 4.6 percent, while median prices fell 15.5 percent on a year-over-year basis. Some areas of potential positive future news are that the U.S. savings rate is increasing which could help fortify personal balance sheets for future home purchases; the rate of increase of existing home sales inventories is slowing – also good news.

**Outlook** – The American Recovery & Reinvestment Act of 2009 (ARRA, better known as the Federal Stimulus program) intends to reinvigorate the U.S. economy. While economists are split as to the effectiveness to-date of ARRA, the Congressional Budget Office believes that the stimulus plan will boost employment and GDP in the short run, helping to end the recession towards the end of 2009. The consensus forecast among leading economists is that recovery will

begin toward the later part of 2009 and that the economy will attain slow but positive growth in 2010.

## 2. CURRENT POLITICAL/LEGAL ISSUES

### *State Issues*

On February 19, 2009, after three months of negotiations, state legislative leaders and Governor Schwarzenegger approved the basic framework of a \$41 billion budget package. This budget was designed to close a projected \$42 billion deficit by relying on approximately \$12.8 billion in temporary tax revenues, \$15 billion in reduced expenditures, and \$11.4 billion in borrowing. The package also requires voters to consider several measures at the May special election.

### *Local Issues*

The Oakland City Council recently approved placing several measures on the July 21, 2009 special election ballot:

- *The Kids First! Compromise*: Seeking voter approval to change the required GPF transfer from 1.5 percent of all revenues to 3.0 percent of unrestricted GPF revenues
- *Real Estate Transfer Tax (RETT) amendment*: Making property transactions resulting from business mergers and acquisitions subject to RETT.
- *Local Cannabis Tax*: Setting rate at \$18 per \$1,000 of gross receipts for cannabis distributors
- *Hotel Tax*: Three percent surcharge to fund cultural and arts institutions, programs and festivals.

These measures are intended to help address the FY 2009-11 projected budget deficit and support a longer term fiscal solution for the City. There is no impact of these measures on current year GPF results.

## 3. GENERAL PURPOSE FUND FINANCIALS

### *Attachment A-1*

### *REVENUE HIGHLIGHTS*

The FY 2008-09 adjusted revenue budget for the General Purpose Fund is \$477.8 million. The budget reflects the use of \$10.6 million of reserved fund balance to pay for the equivalent amount of project carryforwards. The project carryforward value decreased from \$14.8 million approved in October 2008, as a result of deferring \$4.2 million in project spending to the next fiscal year in March 2009, during second-quarter budget balancing. These projects have been budgeted anew in FY 2009-10.

Through the third quarter of the fiscal year, the City received \$303.53 million or 63.6 percent of the budgeted amount. Based upon this collection data, General Purpose Fund revenues are projected to end the year at \$461.35 million, or \$16.15 million under budget.

The currently projected revenue shortfalls are in the following categories:

- Property Tax: (-\$3.83 million);
- Sales Tax: (-\$1.51 million);
- Vehicle License Fee: (-\$0.72 million);
- Real Estate Transfer Tax: (-\$1.49 million);
- Transient Occupancy Tax: (-\$2.59 million);
- Parking Tax: (-\$1.40 million);
- License & Permits: (-\$0.30 million);
- Fines & Penalties: (-\$4.28 million);
- Interest Income (-\$0.35 million); and
- Service Charges: (-\$1.74 million)

These shortfalls are expected to be partially offset by projected surpluses in Business Tax (\$1.0 million); Grants & Subsidies (\$0.65 million); and Miscellaneous Revenues (\$0.41 million).

The second quarter revenue projection was \$464.65 million, or only \$0.75 million under budget. At that time, the anticipated shortfall was mainly in Transient Occupancy Tax, Service Charges, Vehicle License Fee and Fines and Penalties revenues.

Attachment A-1 provides details of revenue collection and projections, including comparison to the second quarter estimates. Key revenue changes based on the third quarter results are discussed below.

*Property Tax (-\$3.83 million)*

Property Tax, the largest source of revenue to the City's General Purpose Fund, is projected to end the year at \$134.5 million. Property tax is projected to come in **under-budget by \$3.83 million** due to the increasing delinquencies, and negative supplemental revenue from recent property sales reflecting a major reduction in values. Although the final delinquency numbers will not be determined until the end of the fiscal year, the actual revenue received to date has fallen short at three percent compared to the five percent growth projected in the budget. A major reduction was noticed after December 2008 collections, specifically.

*Sales Tax (-\$1.51 million)*

Sales Tax revenue received through the third quarter totaled \$29.1 million. Third quarter total revenue-to-date has declined steeply by 18%, compared to the decline of only 7% in the second quarter. Based on this collection rate and other factors, staff projects sales tax to end the year at \$46.59 million, **\$1.51 million lower** than the \$48.1 million budgeted. The decline in revenue is attributable to the recession and financial market crisis (reducing credit availability), putting downward pressure on consumption, gas prices, and taxable sales.

An additional note to the FY 2008-09 sales tax revenue forecast is that it reflects an estimated over-payment by the State of the FY 2008-09 “triple flip” revenue allocation to the City. The over-payment was due primarily to the State’s over-estimation of taxable sales which was based on previously robust sales tax collections. The impact of this overpayment will be felt next fiscal year, when the State performs a “true-up” of triple flip revenues to the City, and will likely deduct \$2.5 million from the City’s fund transfer. This true up has been anticipated in the FY 2009-11 projected policy budget.

*Vehicle License Fee (VLF) (-\$0.72 million)*

Vehicle License Fee revenue received through the third quarter totaled \$0.92 million, compared to the budgeted amount of \$1.81 million. Due to several factors negatively impacting this revenue it is projected to end the year at \$1.09 million, **\$0.72 million lower** than budget.

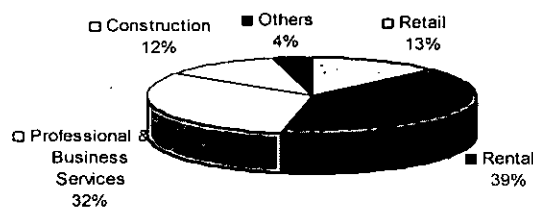
A major factor in this decline is the recent precipitous drop in auto sales, which has led to a significant decline in new auto registrations. No VLF payment was received from the State for the months of October, November 2008, and almost none in February 2009. The State indicated that City allocations for those months were zero after deducting the DMV administrative fees and other payments.

*Business License Tax (BLT) (+\$1.0 million)*

Business License Tax revenue is budgeted at \$52 million. Collections received through the third quarter totaled \$46.87 million, compared to \$43.26 million for the same period a year ago. The FY 2008-09 collection rate was approximately 8.3 percent higher than FY 2007-08. This robust collection was attributable to the clean-up of the accounts and aggressive collections of non-compliant accounts. However, this elevated collection rate is not expected to continue in the fourth quarter, as the liens to be placed in the fourth quarter this year will be reduced. At this time, staff projects that the year-end revenue will be at \$53 million, **\$1 million above** the budgeted amount of \$52 million.

The composition of the City’s BLT is as follows:

**Business License Tax Composition**



*Utility Consumption Tax (at budget)*

Utility Consumption Tax revenue is budgeted at \$54 million. Year-to-date third quarter revenue generation reached \$39.50 million compared to \$39.16 million for the same period last year.

Based on this collection rate, staff is projecting that the year-end revenue will be on target at \$54 million.

*Real Estate Transfer Tax (RETT) (-\$1.49 million)*

RETT actual revenue through the end of the third quarter was \$27.19 million, which is almost 2 percent lower than third quarter collections last year in FY 2007-08. The third quarter collections in particular were significantly lower than those during the first two quarters: \$1.6 million monthly in January-March 2009 compared to \$2.7 million in July-December 2008

The RETT revenue is volatile and is very likely to decline on a month-to-month basis through the end of the year, and perhaps through FY 2009-10. It is projected that the spring home-buying season will push sales up and RETT may average \$1.8 million a month for the rest of the year. Based on this trend, and the \$6 million revenue from the sale of Brandywine properties received in November, RETT is projected to end the year at \$32.59 million, or about **\$1.49 million below budget**. RETT revenue is closely monitored for forecast risks posed by the potential for further declines in housing prices and lending market conditions.

*Transient Occupancy Tax (TOT) (-\$2.59 million)*

Transient Occupancy Tax revenue is budgeted at \$12.69 million. Collections received through the third quarter totaled \$8.15 million compared to \$9.29 million for the same period a year ago. The economic slowdown has directly affected the hotel industry, particularly beginning December 2008. The Oakland Convention and Visitors' Bureau reported that occupancy in Oakland dropped by ten percent from last year, while average daily room rates dropped by one percent. Staff is projecting that the year-end revenue will be \$10.10 million, **\$2.59 million lower** than budget.

*Parking Tax (-\$1.40 million)*

Parking Tax revenue is budgeted at \$8.52 million. Collections received through the third quarter totaled \$5.14 million, or 60.3 percent of the budgeted amount. Based on the current rate of collections, staff is projecting that year-end revenue will reach \$7.12 million, **\$1.40 million below** the budgeted amount of \$8.52 million. It should be noted that industry projections have indicated that travel may be down as much as 8 percent for 2009, which would negatively impact airport parking. Parking Tax revenue is being monitored for declines resulting from this condition.

*Licenses & Permits (-\$0.3 million)*

Licenses & Permits revenue is budgeted at \$1.61 million. Collections received through the third quarter totaled \$0.76 compared to \$0.84 million for the same period a year ago. Staff projects that Licenses & Permits will end the year at \$1.31 million, **\$0.3 million below** the budgeted amount of \$1.61 million. An accounting adjustment of approximately \$0.3 million related to a prior year animal control receivables accrual will negatively impact the current year-end balance.

*Fines & Penalties (-\$4.28 million)*

Fines & Penalties revenue is budgeted at \$29.31 million. Year-to-date collections through the third quarter were at \$15.90 million compared to \$14.61 million in FY 2007-08. Approximately

90 percent of the revenue comes from Parking Citations, while the rest is from fines and penalties charged to taxpayers in connection with delay of payments due the City. Both component categories are projected to come in lower than budget based on the slowing rate of actual revenue generated.

Based on the third-quarter trends and extensive discussions with Inglewood and LES, the Budget Office and Parking Division project Fines & Penalties to be at \$25.04 million at year end, reflecting a shortfall of **\$4.28 million**. The majority of this shortfall is due to lower than previously anticipated collections of both regular and delinquent parking citations (with the latter coming through DMV and FTB). The following table details the components of this revenue and their projections.

	Oct. 2008 Revised Budget	YTD Collections	Year-End Projections
Parking Citation	\$26.45	\$14.75	\$23.45
Library Fines	0.30	0.21	0.30
Property Tax Penalties	0.95	0.12	0.50
Collections	0.44	0.27	0.32
Misc. Fines & Penalties	1.17	0.37	0.47
<b>Total</b>	<b>\$29.31</b>	<b>\$15.72</b>	<b>\$25.04</b>

Fines and Penalties revenue will continue to be closely monitored in coordination with the Parking Division.

*Interest Income (-\$0.35 million)*

Interest income received through the third quarter was \$0.30 million, compared to \$1.72 million received in the third quarter of FY 2007-08. Staff is projecting that interest income will end the year at \$2.0 million, **\$0.35 million** below the \$2.35 million adjusted budget due to the low interest rates. A sizable amount of interest income comes from the Tax and Revenue Anticipation Note, which is used to partially offset interest expense on the same. The ending balance of interest income ultimately depends on a variety of factors, including the funds available for investments, the level of interest rates, and the cash flow status of the City's funds.

*Service Charges (-\$1.74 million)*

Service Charge revenues through the end of the third quarter were \$29.16 million, which is 6.9 percent higher than third quarter collections in FY 2007-08. This \$29.16 million represents 61.3 percent of the adjusted budget. Service Charge revenue is projected to end the year at \$45.83 million, \$1.74 million lower than the budgeted \$47.57 million due primarily to the shortfalls projected for Parking Meter revenue (-\$0.97 million), Personnel Services (-\$0.42 million), and Miscellaneous revenue (-\$0.37 million).

Service Charges contain the following six categories of revenue: Port Revenue, Franchise Fees, Miscellaneous Service Charges, Parking Meter, Public Works Fees, and Personnel Services. Each of the six revenue categories is discussed as follows:

Port Revenue consists of payments for Fire, and other services the City provides to the Port. The City invoices semi-annually, based on actual costs of services. Assuming the Port pays all invoices, projected Port revenue will be at the budgeted amount of \$8.2 million.

Franchise Fees: This category consists of fees on four utilities: PG&E for gas and electric; Waste Management of Alameda County for garbage collection; East Bay MUD for water; and Comcast for cable television. Third quarter actuals are consistent with the adopted budget and thus the staff projects Franchise Fees at the budgeted \$12.83 million.

Miscellaneous Service Charges include a variety of fees such as Alcohol and Tobacco Retailers' Inspection Fee, Rent Arbitration Fee, Fire Prevention Charges, and Tow Services contract. Staff projects Miscellaneous revenue to reach \$8.54 million, \$0.36 million below the \$8.90 million budget primarily due to the Alcohol and Tobacco Retailers' Inspection Fee.

The Alcohol and Tobacco Retailers' Inspection Fee revenue budget was increased in the current year after an ordinance was passed to create a Tobacco Retailers' Inspection Fee. However, the revenue estimate was based on the assumption of separate inspection fees for both tobacco and alcohol retailers. The ordinance was subsequently modified to include an exemption of tobacco inspection fee to existing alcohol retailers also selling tobacco products.

Parking Meter Revenue consists of charges for parking in metered street stalls. This revenue was \$7.33 million through the end of the third quarter, representing 64.1 percent of the current budget of \$11.42 million. The decrease in revenue was the result of the slowdown of the economy reducing the number of drivers parking in Oakland. Additionally, parking meter stalls have been reduced to accommodate changes in street and transit use. Consequently, Parking meter revenue is projected to end the year at \$10.45 million, \$0.97 million lower than budget.

Public Works Fees and Permits primarily represent street and sidewalk work done in conjunction with other building activity. The third quarter receipts in this category came in at \$0.22 million. Year-end revenues are projected to reach the budgeted \$0.3 million.

Personnel Services: These are reimbursements to the City for police protection at a variety of special events or activities such as A's games, Raiders games, concerts, street fairs or festivals, or for production of legal documentation in response to subpoenas. There are no set contracts in place, hence the demand for these services is variable and difficult to forecast. Staff projects year-end revenue at \$3.3 million, \$0.4 million below the budgeted \$3.7 million as the result of reduced demand for these services.

Rental Concessions: These represent rental fees for City's facilities and lands, as well as concessions at various locations. Revenue through the third quarter was \$0.7 million. This revenue has a heavy seasonal component and year-end revenue is projected to meet the \$2.23 million budget.

*Grants and Subsidies (+\$0.65 million)*

This revenue includes grants that are authorized and approved by the City Council during the fiscal year, and can not be deposited into any special grant fund. Also included in this category are any State-Mandated reimbursements received. The grants and subsidies budget is at \$1.99 million. Staff estimates that based on actual collections to date, grants and subsidies revenue will end the year at \$2.64 million, \$0.65 million higher than adjusted budget.



*Miscellaneous Revenue (+\$0.41 million)*

Miscellaneous revenue collected through the end of the third quarter was \$1.75 million, which represents 15.3 percent of the amount budgeted. The primary components of the Miscellaneous revenue budget are savings from a bond refinancing, and revenue from property sales. Staff continues to work on the Oakland Redevelopment Agency (ORA) debt refunding, which will result in \$9.5 million in one-time funding to the GPF. This refinancing is also the source of revenue allocated to support the purchase of City property by ORA; the resulting one-time City revenue will be used to reduce negative fund balances for the LLAD Fund (2310) and the Capital Improvement Fund (5500)). The bond refinancing is planned to be completed in May 2009.

Due to a one-time revenue from the sale of City property, staff projects year-end revenue to end the year at \$11.82 million, \$0.41 million higher than the budgeted \$11.41 million.

*Fund Transfers (at budget)*

Fund transfers through the end of the third quarter were \$17.74 million, representing 75.7 percent of the current budget of \$23.43 million. The year-end fund transfer is projected at the budgeted level of \$23.43 million.

The Fund Transfers category this fiscal year includes the following components:

- \$0.10 million transfer from the Golf Course Fund (ongoing)
- \$0.60 million transfer from the Sewer Service Fund (a continued repayment for building occupancy costs)
- \$1.00 million transfer from Unclaimed Cash Fund (one-time)
- \$1.50 million transfer from Deferred Pension Credit Fund (one-time)
- \$2.63 million transfer from Development Service Fund (last year of repayment)
- \$5.30 million transfer from Workers Compensation Fund (one-time)
- \$12.3 million transfer from Pension Annuity Fund (declining)

*Carryforwards (Drawdown of Fund Balance)*

At the end of each fiscal year, the City has unspent appropriations that can potentially be carried forward into the next fiscal year. These exist either in projects or as non-project encumbrances. For the General Purpose Fund in FY 2008-09, \$14.8 million in projects and encumbrances were carried forward from FY 2007-08 and represent funds reserved in the fund balance to pay for the project activities (or encumbered items) not spent in the prior year. In March 2009, as a result of mid-year budget adjustments, the carryforward amount was reduced to \$10.6 million, by deferring \$4.2 million in projects until FY 2009-10.

By year-end, it is projected that the entire \$10.6 million of project and encumbrance carryforward funding will be expended.

*EXPENDITURE HIGHLIGHTS*

Expenditure highlights will be presented in a supplemental report.

4. STATUS OF IMPLEMENTING OCTOBER 2008 AND MARCH 2009 BUDGET AMENDMENTS

The status of implementing the Council's October 2008 and March 2009 budget amendments will be presented in a supplemental report.

5. PARTIAL TRANSFER OF NUISANCE ABATEMENT TO ORA

To implement budget balancing measures in October 2008, a transfer of eligible Nuisance Abatement position costs to the Oakland Redevelopment Agency (ORA) was approved. Blight and nuisance abatement duties performed by this staff qualify for the usage of ORA funds. (About 90 percent of the cases handled by staff are in redevelopment project areas, with concentration in West Oakland, Central City East and East Oakland.) The total funding transfer anticipated during the October 2008 balancing was \$135,834. Since ORA is a separate legal entity, formal authorization from the Agency Board is required to implement this transfer.

**ACTION REQUESTED OF THE CITY COUNCIL**

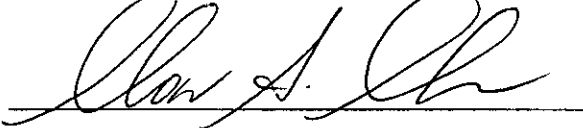
Accept this informational report and adopt the proposed legislation to authorize use of Oakland Redevelopment Agency funds to pay for eligible Nuisance Abatement staff expenses.

Respectfully submitted,

  
**CHERYL L. TAYLOR**  
Budget Director

Prepared by:  
Kiran Bawa  
Budget Office

APPROVED FOR FORWARDING TO THE  
FINANCE & MANAGEMENT COMMITTEE



Office of the City Administrator

**Attachments:**

- A-1: *General Purpose Fund Revenues*
- A-2: *General Purpose Fund Expenditures – TO BE PROVIDED IN SUPPLEMENTAL REPORT*
- B-1: *Analysis of Council October 2008 Budget Motion Items – TO BE PROVIDED IN SUPPLEMENTAL REPORT*

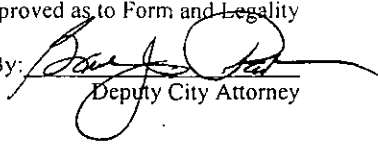
**FY 2008-09 REVENUE AND EXPENDITURE ANALYSIS  
Through Third Quarter (July 1, 2008 - March 31, 2009)**

GENERAL PURPOSE FUND REVENUES (\$ in millions)

Revenue Category	FY 2007-08 Q3 Adjusted Budget	FY 2007-08 Q3 Actuals	FY 2007-08 Percent To Date	FY 2007-08 Year-End Actuals	FY 2008-09 Original Midcycle Budget	FY 2008-09 October Revised Budget	FY 2008-09 Q3 Adjusted Budget	FY 2008-09 Q3 Actual	FY 2008-09 Percent To Date	FY 2008-09 Year-End Estimate, Q3	FY 2008-09 Year-End Estimate, Q2	Year-End \$ Over / (Under) Adjusted Budget	Explanation of Over / (Under) Collection	Yr-to-Yr Growth Q3 to Q3
PROPERTY TAX	\$121.72	\$78.27	64.30%	\$131.74	136.31	138.33	138.33	78.42	56.7%	134.50	138.33	(3.83)	increasing amount of delinquencies, negative supplementals from falling home prices.	100.2%
SALES TAX	48.96	35.88	73.28%	53.09	51.80	48.10	48.10	29.09	60.5%	46.59	48.10	(1.51)	Recession and tight credit continues to reduce consumption and taxable sales.	81.1%
VEHICLE LICENSE FEE (VLF)	3.04	1.55	50.93%	1.82	1.95	1.81	1.81	0.92	50.6%	1.09	1.30	(0.72)	Decline in new car purchases and increase in State administrative fee. Zero receipts in Oct., Nov., & Feb. 2009.	59.1%
BUSINESS LICENSE TAX	47.92	43.26	90.28%	52.54	53.76	52.00	52.00	46.87	90.1%	53.00	52.00	1.00	Result of account clean-up actions, and aggressive collection of non-compliant accounts which generated additional one time revenue.	108.3%
UTILITY CONSUMPTION TAX	52.18	39.16	75.05%	52.52	54.00	54.00	54.00	39.50	73.2%	54.00	54.00	-		100.9%
REAL ESTATE TRANSFER TAX	67.22	27.71	41.22%	36.21	44.86	34.08	34.08	27.19	79.8%	32.59	36.32	(1.49)	January through March 2009 monthly collections slowed considerably as compared to the prior year's monthly collection average.	98.1%
TRANSIENT OCCUPANCY TAX	12.36	9.29	75.14%	12.20	13.03	12.69	12.69	8.15	64.3%	10.10	11.28	(2.59)	Reduced travel, tourism, and hotel occupancy.	87.8%
PARKING TAX	9.45	6.54	69.17%	8.52	9.75	8.52	8.52	5.14	60.3%	7.12	8.52	(1.40)	Reduced travel and airport parking	78.6%
LICENSES & PERMITS	1.23	0.84	68.23%	1.61	1.47	1.61	1.61	0.76	47.2%	1.31	1.61	(0.30)	Negative accounting adjustment recorded.	90.5%
FINES & PENALTIES	28.99	14.61	50.41%	22.01	27.33	29.31	29.31	15.90	54.2%	25.03	29.00	(4.28)	Due to lingering effects of prior information system problems in Citation Parking Division, and the reclassification of some fines and penalties revenues (for late tax and fee payments) into the related fee and tax revenue accounts.	108.8%
INTEREST INCOME	-	1.72	-	4.47	2.00	2.34	2.35	0.30	12.9%	2.00	2.35	(0.35)	Due to near record low interest rates.	17.6%
SERVICE CHARGES	46.58	27.27	58.55%	44.07	47.46	47.38	47.57	29.16	61.3%	45.83	46.24	(1.74)	Shortfall in Parking Meter, ABAT Inspection fee & Miscellaneous revenues.	106.9%
GRANTS & SUBSIDIES	0.08	3.79	4538.92%	4.65	-	-	1.99	2.64	132.9%	2.64	0.28	0.65	Projected to be above budget based on current actual collection rate.	69.8%
MISCELLANEOUS	2.50	5.07	202.80%	4.65	1.81	11.39	11.41	1.75	15.3%	11.82	11.89	0.41	Proceeds from sale of city property.	34.5%
FUND TRANSFERS	40.19	18.33	45.61%	25.70	30.93	23.43	23.43	17.74	75.7%	23.43	23.43	-	At budget.	96.8%
<b>SUBTOTAL</b>	<b>\$482.43</b>	<b>313.29</b>	<b>64.94%</b>	<b>\$455.79</b>	<b>476.48</b>	<b>464.99</b>	<b>467.2</b>	<b>303.53</b>	<b>65.0%</b>	<b>451.05</b>	<b>464.65</b>	<b>(16.15)</b>		<b>96.9%</b>
DRAWDOWN FROM FUND BALANCE TO FUND PRIOR YEAR ENCUMBRANCES & PROJECT CARRYFORWARDS							10.61	9.69	91.3%	10.61	14.82	-		
<b>TOTAL</b>	<b>\$482.43</b>	<b>313.29</b>	<b>64.9%</b>	<b>\$455.79</b>	<b>476.48</b>	<b>464.99</b>	<b>477.81</b>	<b>313.22</b>	<b>65.6%</b>	<b>461.66</b>	<b>479.47</b>	<b>(16.15)</b>		<b>100.0%</b>

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2009 APR 30 PM 8:03

Approved as to Form and Legality

By:   
Deputy City Attorney

## CITY OF OAKLAND

Resolution No. \_\_\_\_\_ C.M.S.

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**RESOLUTION AUTHORIZING ACCEPTANCE AND APPROPRIATION  
OF A CONTRIBUTION OF REDEVELOPMENT AGENCY FUNDS TO  
THE CITY UNDER THE COOPERATION AGREEMENT FOR THE  
NUISANCE ABATEMENT PROGRAM FOR FISCAL YEAR 2008-09 IN  
THE AMOUNT OF \$135,834**

**WHEREAS**, the Nuisance Abatement Program is currently fully funded by the City of Oakland's General Purpose Fund; and

**WHEREAS**, the Nuisance Abatement Program is responsible for implementation of the Public Nuisance Ordinance and Nuisance Eviction Ordinance to positively impact the quality and value of Oakland neighborhoods by reducing and eliminating the number of nuisance properties and tenants engaging in illegal activities that negatively impact and influence the neighborhoods, including redevelopment project areas; and

**WHEREAS**, the Program reduces the negative impacts of illegal activity in redevelopment project areas such as additional vehicle traffic, criminal gangs, loitering, fear, gun possession, etc., and assists in achieving safe, attractive neighborhoods for all Oakland residents; and

**WHEREAS**, the vast majority of the nuisance abatement cases are in Oakland's redevelopment project areas; and

**WHEREAS**, these activities contribute to the prevention and elimination of physical and economic blight conditions in project areas, and are therefore eligible for Redevelopment Agency funding; and

**WHEREAS**, the City and the Redevelopment Agency entered into a Cooperation Agreement on July 1, 2004, which governs the provision of assistance and the payment of funds between the two agencies, including Agency payment for City staff services related to redevelopment activities; now, therefore, be it

**RESOLVED**: That the City Council hereby consents to the use of \$ 135,834 in Redevelopment Agency funding under the Cooperation Agreement for FY 2008-09 to partially fund the Nuisance Abatement Program; and be it

**FURTHER RESOLVED:** That these funds will be appropriated in City of Oakland's Redevelopment Agency Project Fund (7780), City Administrator organization (02111), Clearing Project (A260830).

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2009

PASSED BY THE FOLLOWING VOTE:

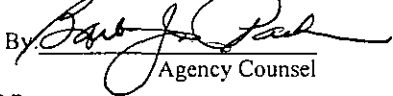
AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND  
PRESIDENT BRUNNER

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
Of the City of Oakland, California

By   
Agency Counsel

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. \_\_\_\_\_ C.M.S.

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**AGENCY RESOLUTION AUTHORIZING A CONTRIBUTION OF  
REDEVELOPMENT AGENCY FUNDS TO THE CITY UNDER THE  
COOPERATION AGREEMENT FOR THE NUISANCE ABATEMENT  
PROGRAM FOR FISCAL YEAR 2008-09 IN THE AMOUNT OF \$135,834**

**WHEREAS**, the Nuisance Abatement Program is currently fully funded by the City of Oakland's General Purpose Fund; and

**WHEREAS**, the Nuisance Abatement Program is responsible for implementation of the Public Nuisance Ordinance and Nuisance Eviction Ordinance to positively impact the quality and value of Oakland neighborhoods by reducing and eliminating the number of nuisance properties and tenants engaging in illegal activities that negatively impact and influence the neighborhoods, including redevelopment project areas; and

**WHEREAS**, the Program reduces the negative impacts of illegal activity in redevelopment project areas such as additional vehicle traffic, criminal gangs, loitering, fear, gun possession, etc., and assists in achieving safe, attractive neighborhoods for all Oakland residents; and

**WHEREAS**, the vast majority of the nuisance abatement cases are in Oakland's redevelopment project areas; and

**WHEREAS**, these activities contribute to the prevention and elimination of physical and economic blight conditions in project areas, and are therefore eligible for Redevelopment Agency funding; and

**WHEREAS**, the City and the Redevelopment Agency entered into a Cooperation Agreement on July 1, 2004, which governs the provision of assistance and the payment of funds between the two agencies, including Agency payment for City staff services related to redevelopment activities; now, therefore, be it

**RESOLVED:** That the Agency hereby authorizes a contribution of Redevelopment Agency funds in the amount of \$ 135,834 to the City of Oakland under the Cooperation Agreement for FY 2008-09 to partially fund the Nuisance Abatement Program across all redevelopment project areas; and be it

**FURTHER RESOLVED:** That the Agency Administrator is authorized to reimburse or otherwise make payments to the City for all costs incurred, services rendered and payments made by the City for this purpose pursuant to the Cooperation Agreement.

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2009

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

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

LaTonda Simmons  
Secretary of the Redevelopment Agency of  
the City of Oakland, California