

DRAFT

CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

ORDINANCE NO. _____ C.M.S.

ORDINANCE 1) AUTHORIZING A FISCAL YEAR 2022-23 INCREASE IN THE RATE OF PROPERTY TAX IMPOSED BY VOTER-APPROVED MEASURES; AND 2) FIXING THE RATE OF THE PROPERTY TAX AND LEVYING A TAX ON REAL AND PERSONAL PROPERTY IN THE CITY OF OAKLAND FOR FISCAL YEAR 2022-23 FOR THE EMERGENCY MEDICAL SERVICES RETENTION ACT OF 1997 (MEASURE M), THE PARAMEDIC SERVICES ACT OF 1997 (MEASURE N), THE LIBRARY SERVICES RETENTION AND ENHANCEMENT ACT OF 2004 (LIBRARY MEASURE Q), THE 2014 OAKLAND PUBLIC SAFETY AND SERVICES VIOLENCE PREVENTION ACT (MEASURE Z), THE 2018 OAKLAND PUBLIC LIBRARY PRESERVATION ACT (MEASURE D), THE 2020 OAKLAND PARKS AND RECREATION PRESERVATION, LITTER REDUCTION, HOMELESSNESS SUPPORT ACT (PARKS MEASURE Q), AND THE CHILDREN'S INITIATIVE OF 2018 (MEASURE AA)

WHEREAS, the City of Oakland must annually set the property tax levy rates and inform the County of Alameda of these rates by August 10th for inclusion on that year's property tax bill for the Emergency Medical Services Retention Act of 1997 (Measure M), the Paramedic Services Act of 1997 (Measure N), the Library Services Retention and Enhancement Act of 2004 (Library Measure Q), the 2014 Oakland Public Safety and Services Violence Prevention Act (Measure Z), the 2018 Oakland Public Library Preservation Act (Measure D), the 2020 Oakland Parks and Recreation Preservation, Litter Reduction and Homelessness Support Act (Parks Measure Q), and the Children's Initiative of 2018 (Measure AA); and

WHEREAS, adoption of this ordinance will allow the City to increase the rates as allowed by the measures, and levy and collect the Fiscal Year 2022-23 revenues included in the Fiscal Year 2022-23 Proposed Policy Budget related to Measures M, N, Library Measure Q, Z, D, Parks Measure Q and Measure AA; and

WHEREAS, in 1997 the voters of Oakland approved Measure M, which imposed a special tax to fund emergency medical services on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by the Ordinance, and 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 on the Consumer Price Index (“CPI”) for all items, has increased since the 1997 index year; and

WHEREAS, in 1997 the voters of Oakland approved Measure N, which imposed a special tax to fund paramedic emergency services on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by the Ordinance, and provided that beginning in Fiscal Year 2000-01 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 on the CPI for all items, has increased since the 1997 index year; and

WHEREAS, in 2004 the voters of Oakland approved the Library Measure Q, which extended the original Measure O Library Services Retention and Enhancement Act of 1994, through June 30, 2024 imposing this special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by the Ordinance, and allowing the City Council to increase the tax annually upon a finding that the cost of living in the immediate San Francisco Bay Area, as shown on the CPI for all items, has increased since the 1994 index year; and

WHEREAS, in November 2014 the voters of Oakland passed Measure Z, which imposes a special parcel tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by the ordinance, to fund police services, fire services, and violence intervention services, and provides that beginning in Fiscal Year 2015-16 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 on the CPI for all items, has increased, and the percentage increase of the tax shall not exceed such increase using Fiscal Year 2014-15 as the index year; and

WHEREAS, in 2018 the voters of Oakland approved Measure D, which imposes a special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by the Ordinance, and provides that beginning in Fiscal Year 2019-20 and each fiscal year thereafter, the Oakland City Council may increase the tax annually by an amount not to exceed the increase in either 1) the cost of living in the immediate San Francisco Bay Area, as shown on the CPI for all items, using 2018 as the index year, or 2) the California per Capita Personal Income as determined by the California Department of Finance using Fiscal Year 2018-2019 as the index year; and

WHEREAS, in March 2020, the voters of Oakland approved the Parks Measure Q, which imposes a special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by the Ordinance, and this tax provides that beginning in Fiscal Year 2021-22 and each year thereafter, the Oakland City Council may increase the tax by a percentage that is up to the greater of: (1) the percentage change in cost of living in the immediate San Francisco Bay Area, as determined by the twelve-month Annual Percentage Change in the CPI for all items, or (2) the percentage change in the California per capita personal income, as determined by the California Department of Finance using Fiscal Year 2020-21 as the index year; and

WHEREAS, in November 2018, sixty-two percent of Oakland voters approved Measure AA, which beginning in fiscal year 2019-2020 imposes a special tax on all parcels in the City of Oakland except where the parcels are otherwise exempt from taxation by the measure, and this

tax provides that beginning Fiscal Year 2020-21 and each year thereafter, the Oakland City Council may increase the parcel tax by making one of the following findings: (1) the percentage change in cost of living in the immediate San Francisco Bay Area, as determined by the U.S. Department of Labor has increased, or (2) the California per capita personal income, as determined by the California Department of Finance, has increased using Fiscal Year 2019-20 as the index year; and

WHEREAS, Measure AA was challenged, and the City delayed its implementation, a trial court ruled in favor of the opponents and in December 2021 the California Court of Appeal reversed in favor of the City directing the trial court to enter judgment in favor of the City; and

WHEREAS, this is the first year that the City will levy the Measure AA parcel tax and the 13.9 percent increase in the Measure AA special parcel tax rate proposed for Fiscal Year 2022-23 is in line with the compounded change in the California per Capita Personal Income as determined by the California Department of Finance for calendar years 2019, 2020, and 2021, which will bring the amount levied in FY 2022-23 to the amount equivalent to the levy if the measure had gone into effect immediately and Council had approved prior annual increases for fiscal years 2020-2021, 2021-2022 and 2022-2023;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds that the Consumer Price Index for all items in the San Francisco Bay Area was 300.084 for calendar year 2020 and 309.721 for calendar year 2021. Thus, the cost-of-living in the immediate San Francisco Bay Area, as shown by the Consumer Price Index (CPI) for all items, has increased 3.2 percent from calendar year 2020 to calendar year 2021 and the change in California per Capita Personal Income as determined by the California Department of Finance between 2020 and 2021 was 5.7 percent and such increases as set forth in the Ordinance conform to these increases.

SECTION 2. Effective July 1, 2022 the Measures M, N, Library Measure Q, and Z special tax rates upward adjustments shall be 3.2 percent and the Measure D, Parks Measure Q, and Measure AA special tax rates upward adjustments shall be 5.7 percent.

SECTION 3. Effective July 1, 2022 the following rates shall be levied for Fiscal Year 2022-23 for Measures M, N, Library Measure Q, Z, D, Parks Measure Q, and Measure AA as noted below by Measure and parcel type:

Measure	RATES			
	Parcel Type	Current Parcel Rate	Proposed Increase	FY 2022-23 Parcel Rate
Measure M	Single Family Residential Parcels	\$16.23	\$0.52	\$16.75
	Multiple Residential (2 to 4 units)	\$32.49	\$1.04	\$33.53
	Multiple Residential (5+ units)	\$81.24	\$2.60	\$83.84
	Commercial	\$32.49	\$1.04	\$33.53
	Industrial	\$65.00	\$2.08	\$67.08
	Rural	\$16.23	\$0.52	\$16.75

Measure	RATES			
	Parcel Type	Current Parcel Rate	Proposed Increase	FY 2022-23 Parcel Rate
	Institutional	\$16.23	\$0.52	\$16.75
Measure N	Single Family Residential Parcels	\$12.93	\$0.42	\$13.35
	Multiple Residential (2 to 4 units)	\$25.86	\$0.84	\$26.70
	Multiple Residential (5+ units)	\$64.70	\$2.10	\$66.80
	Commercial	\$25.86	\$0.84	\$26.70
	Industrial	\$51.76	\$1.68	\$53.44
	Rural	\$12.93	\$0.42	\$13.35
	Institutional	\$12.93	\$0.42	\$13.35
Library Measure Q	Single Family Residential Parcels	\$114.51	\$3.66	\$118.17
	Multiple Residential	\$78.22	\$2.50	\$80.72
	Non-Residential Parcels	\$58.65	\$1.88	\$60.53
Measure Z	Single Family Residential Parcels	\$118.76	\$3.80	\$122.56
	Multiple Residential	\$81.13	\$2.60	\$83.73
	Non-Residential Parcels	\$60.82	\$1.95	\$62.77
Measure D	Single Family Residential Parcels	\$83.95	\$4.81	\$88.76
	Multiple Residential	\$57.35	\$3.29	\$60.64
	Non-Residential Parcels	\$43.00	\$2.46	\$45.46
Parks Measure Q	Single Family Residential Parcels	\$153.52	\$8.80	\$162.32
	Multiple Residential	\$104.85	\$6.01	\$110.86
	Non-Residential Parcels	\$153.52	\$8.80	\$162.32
Measure AA	Single Family Residential Parcels	\$198.00	\$27.51	\$225.51
	Multiple Residential	\$135.25	\$18.80	\$154.05
	Non-Residential Parcels	\$198.00	\$27.51	\$225.51

SECTION 4. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 5. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise, it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California

Date of Attestation: _____

NOTICE AND DIGEST

ORDINANCE 1) AUTHORIZING A FISCAL YEAR 2022-23 INCREASE IN THE RATE OF PROPERTY TAX IMPOSED BY VOTER-APPROVED MEASURES; AND 2) FIXING THE RATE OF THE PROPERTY TAX AND LEVYING A TAX ON REAL AND PERSONAL PROPERTY IN THE CITY OF OAKLAND FOR FISCAL YEAR 2022-23 FOR THE EMERGENCY MEDICAL SERVICES RETENTION ACT OF 1997 (MEASURE M), THE PARAMEDIC SERVICES ACT OF 1997 (MEASURE N), THE LIBRARY SERVICES RETENTION AND ENHANCEMENT ACT OF 2004 (LIBRARY MEASURE Q), THE 2014 OAKLAND PUBLIC SAFETY AND SERVICES VIOLENCE PREVENTION ACT (MEASURE Z), THE 2018 OAKLAND PUBLIC LIBRARY PRESERVATION ACT (MEASURE D), THE 2020 OAKLAND PARKS AND RECREATION PRESERVATION, LITTER REDUCTION, HOMELESSNESS SUPPORT ACT (PARKS MEASURE Q), AND THE CHILDREN'S INITIATIVE OF 2018 (MEASURE AA)

This ordinance would authorize an increase of either ___ percent consistent with the Consumer Price Index for the San Francisco Bay Area or ___ percent consistent with the change in the California Per Capita Personal Income as determined by California Department of Finance, to the special parcel tax rates imposed in accordance with the Voter-Approved Emergency Medical Services Retention Act Of 1997 (Measure M), The 1997 Paramedic Services Act (Measure N), The Library Services Retention And Enhancement Act of 2004 (Library Measure Q), The 2014 Oakland Public Safety And Services Violence Prevention Act (Measure Z), The 2018 Oakland Public Library Preservation Act (Measure D), the 2020 Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act (Parks Measure Q), and The Children's Initiative of 2018 (Measure AA). The increase would be effective July 1, 2021. The ordinance would also authorize the City Council to fix the rates and levy the taxes at the new rates for all referenced tax measures.