



AGENDA REPORT

TO: Sabrina B. Landreth
CITY ADMINISTRATOR

FROM: Kiran Bawa

SUBJECT: FY 2015-2016 Tax Levies for Voter
Approved Measures M, N, Q, and Z

DATE: July 31, 2015

City Administrator
Approval

Date

8/6/15

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council adopt:

A Resolution Fixing The Rate Of Property Tax and Levying A Tax On Real And Personal Property In The City Of Oakland For Fiscal Year (FY) 2015-2016 For Voter Approved Measure M (The Emergency Medical Services Retention Act), Measure N (The 1997 Paramedic Services Act), Measure Q (The Library Services And Retention Act), And Measure Z (The Public Safety And Services Act Of 2014).

OUTCOME

Approval of the recommendation will result in the establishment of the property tax rates for Fiscal Year (FY) 2015-2016 for voter approved local tax Measures M, N, Q, and Z. The proceeds generated from these property taxes will be used towards the goals stated in each voter-approved local tax measure, including public safety, fire services, and library services.

EXECUTIVE SUMMARY

This resolution is submitted during the City Council summer recess in order to meet the schedule for property tax rate submittal established by the County of Alameda (“the County”). All tax rates must be submitted to the County in August 2015 for inclusion in the FY 2015-2016 property tax bill.

BACKGROUND/LEGISLATIVE HISTORY

In order to levy rates for the local tax measures, the City must inform the County of these rates in August for inclusion on that year’s property tax bill. Historically, the City provided the County with documentation showing the new rates, adopted through the annual Consumer Price Index

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(CPI) rate increase for the local measures. This year, the City will adopt the proposed resolution to levy the taxes in order to have clear documentation of the parcel tax rates for each local measure in addition to the ordinances which show the CPI increase approvals.

The following paragraphs provide background on each of the local measures as well as the most recent increases in the tax rates:

Measure M: In June 1997, Oakland voters approved, by more than a two-thirds majority, the Emergency Medical Services Retention Act (Measure M). Measure M 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 to replace 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 2.8 percent increase for the Measure M special parcel tax rate was adopted for FY 2015-2016 (through Ordinance No. 13317 C.M.S.), consistent with the Consumer Price Index (CPI) increase for the San Francisco Bay Area during calendar year 2014.

Measure N: In June 1997, Oakland voters passed, by more than a two-thirds majority, the 1997 Paramedic Services Act (Measure N). Measure N imposes a special parcel tax for the purpose of raising revenue necessary to increase, enhance and support paramedic emergency services in the City of Oakland. The Measure N legislation authorizes the City Council to increase the tax rates by a cost-of-living factor after the third year of its imposition (FY 2000-2001) and continuing each fiscal year thereafter. A 2.8 percent increase in the Measure N special parcel tax rate was adopted for FY 2015-2016 (through Ordinance No. 13318 C.M.S.) is in line with the Consumer Price Index (CPI) increase for the San Francisco Bay Area during calendar year 2014.

Measure Q: In March 2004, Oakland voters approved, by more than a two-thirds majority, the extension of the Library Services and Retention Act, Measure Q (formerly known as Measure O). The act reauthorized and increased a special parcel tax on residential and non-residential parcels for the purpose of raising revenue to retain and enhance library services. The term of the tax is 20 years, commencing July 1, 2004 and ending June 30, 2024. The Measure Q legislation also authorizes the City Council to increase the tax annually, consistent with the San Francisco Bay Area CPI changes. A 2.8 percent increase to the Measure Q special parcel tax rate was adopted for FY 2015-2016 (through Ordinance No. 13316 C.M.S.), reflecting the 2014 CPI increase for the San Francisco Bay Area.

Measure Z: In November 2004, Oakland voters approved the Violence Prevention and Public Safety Act of 2004 (Measure Y). The measure imposes a parking surcharge on commercial parking lots and a parcel tax for the purpose of raising revenue necessary to fund such activities as community and neighborhood policing, violence prevention services with an emphasis on youth, and fire services. The Measure Y legislation authorized the City Council to levy parcel tax assessments beginning FY 2004-05. An additional ballot initiative in November 2010, Measure

BB, suspended the 739 police officer staffing threshold mandated by Measure Y and allowed for the continued collection of the parcel tax and parking surcharge.

In November 2014, Oakland voters approved the Public Safety and Services Violence Prevention Act of 2014 (Measure Z). The measure continued the same parking surcharge on commercial parking lots and the same parcel tax for the purpose of raising revenue necessary to fund activities such as community resource officers, crime reduction teams, fire services, and violence prevention strategies. The Measure Z legislation authorizes the City Council to levy parcel tax assessments beginning FY 2015-2016.

In June 2015, the City Council chose to keep the tax rate at the \$99.77 rate rather than increasing it to reflect the 2014 CPI. This rate was set through Ordinance No. 13237 C.M.S. in 2014 under Measure Y and it reflected the 2013 San Francisco Bay Area CPI increase of 2.2 percent. Since Measure Z retained the Measure Y tax rate at the time of Measure Y expiration (through Ordinance No. 85149 C.M.S.), and the City did not add 2014 CPI to that rate, the levy rate for FY 2015-2016 remains at \$99.77 per parcel.

ANALYSIS

The following property tax rates, adopted by the City, will be levied:

Measure	Rate(s)	Authorizing Legislation
Measure M	Single Family \$13.64 Multiple Residential (2 to 4 units) \$27.26 Multiple Residential (5 or more units) \$68.18 Commercial \$27.26 Industrial \$54.53 Rural \$13.64 Institutional \$13.64	Ordinance No. 13317 C.M.S.
Measure N	Single Family \$10.86 Multiple Residential (2 to 4 units) \$21.70 Multiple Residential (5 or more units) \$54.27 Commercial	Ordinance No. 13318 C.M.S.

	\$21.70 Industrial \$43.41 Rural \$10.86 Institutional \$10.86	
Measure Q	Single Family \$96.17 Multiple Residential \$65.69 Non-Residential \$49.25	Ordinance No. 13316 C.M.S.
Measure Z	Single Family \$99.77 Multiple Residential \$68.15 Non-Residential \$51.09	Ordinance No. 13237 C.M.S. (under Measure Y) and Ordinance No. 85149 C.M.S. (authorization of Measure Z)

PUBLIC OUTREACH/INTEREST

This item did not require any additional public outreach other than the required posting to the City’s website.

COORDINATION

The report was prepared in coordination with the Office of the City Attorney, the Controller’s Bureau, and Francisco & Associates (the City’s Contractor, responsible for annually administering special financing districts).

COST SUMMARY/IMPLICATIONS

Passage of this resolution will provide additional documentation needed for the City to levy and collect the FY 2015-2016 revenues included in the FY 2015-2017 Adopted Policy Budget related to Measures M, N, Q, and Z.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic opportunities associated with this report.

Environmental: There are no environmental opportunities associated with this report.

Social Equity: There are no social equity opportunities associated with this report.

For questions regarding this report, please contact Chantal Cotton Gaines, at (510) 238-7587.

Respectfully submitted,



KIRAN BAWA
Budget Director

Prepared by:
Chantal Cotton Gaines, Asst. to the City Administrator
City Administrator's Office

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FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 AUG -6 AM 11:33

Approved as to Form and Legality

Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

A RESOLUTION FIXING THE RATE OF PROPERTY TAX AND LEVYING A TAX ON REAL AND PERSONAL PROPERTY IN THE CITY OF OAKLAND FOR FISCAL YEAR (FY) 2015-2016 FOR VOTER APPROVED MEASURE M (THE EMERGENCY MEDICAL SERVICES RETENTION ACT), MEASURE N (THE 1997 PARAMEDIC SERVICES ACT), MEASURE Q (THE LIBRARY SERVICES AND RETENTION ACT), AND MEASURE Z (THE PUBLIC SAFETY AND SERVICES ACT OF 2014).

WHEREAS, the City of Oakland must annually set the property tax levy rates and inform the County of Alameda of these rates by August 31st for inclusion on that year's property tax bill for Measures M, N, Q, and Z; and

WHEREAS, the passage of this resolution will provide additional documentation needed for the City to levy and collect the FY 2015-2016 revenues included in the FY 2015-2017 Adopted Policy Budget related to Measures M, N, Q, and Z; and

WHEREAS, in 1997 the voters of Oakland approved Measure M, a special tax to fund emergency medical services to impose 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 provided that beginning in Fiscal Year 1998-1999 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, in 1997 Oakland voters approved Measure N, a special tax to fund paramedic emergency services to impose 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 provided that beginning in fiscal year 2000-2001 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 CPI for all items, has increased since the 1997 index year; and

WHEREAS, the voters of Oakland in 2004 approved Measure Q, the Library Services Retention and Enhancement Act of 2004, which extended the original Measure O Library Services Retention and Enhancement 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 Section 6 of the Ordinance, 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 Consumer Price Index (CPI) for all items, has increased since the 1994 index year; and

WHEREAS, the City of Oakland voters passed Measure Z, the 2014 Oakland Public Safety and Services Violence Prevention Act ("Measure Z"), in November 2014, approving a series of taxes to support violence intervention objectives, including programs and services that provide support for at-risk youth and young adults to interrupt the cycle of violence and recidivism, and for youth and young adults at highest risk of violence as guided by data analysis; and

WHEREAS, in 2014 the voters of Oakland approved Measure Z, a special tax to fund violence prevention and public safety services to impose the same special tax from the Violence Prevention and Public Safety Act of 2004 (Measure Y) on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by Part 3 Section 4 of the Ordinance, and provides that beginning in Fiscal Year 2015-2016 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 2014-15 index year; and now therefore be it

RESOLVED: That the following rates shall be levied for FY 2015-2016 for Measures M, N, Q, and Z as noted and through the authorizing legislation noted below:

Measure	Rate(s)	Authorizing Legislation	
Measure M	Single Family	\$13.64	Ordinance No. 13317 C.M.S.
	Multiple Residential (2 to 4 units)	\$27.26	
	Multiple Residential (5 or more units)	\$68.18	
	Commercial	\$27.26	
	Industrial	\$54.53	
	Rural	\$13.64	
	Institutional	\$13.64	
Measure N	Single Family	\$10.86	Ordinance No. 13318 C.M.S.
	Multiple Residential (2 to 4 units)	\$21.70	
	Multiple Residential (5 or more units)	\$54.27	
	Commercial	\$21.70	
	Industrial	\$43.41	
	Rural	\$10.86	
	Institutional	\$10.86	
Measure Q	Single Family	\$96.17	Ordinance No. 13316 C.M.S.
	Multiple Residential	\$65.69	
	Non-Residential	\$49.25	

Measure Z	Single Family	\$99.77	Ordinance No. 13237 C.M.S. (under Measure Y) and Ordinance No. 85149 C.M.S. (Measure Z authorization)
	Multiple Residential	\$68.15	
	Non-Residential	\$51.09	

; and be it

FURTHER RESOLVED: That this resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2015

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, AND
PRESIDENT GIBSON MCELHANEY
NOES-

ABSENT-

ABSTENTION-

ATTEST:

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