

**CITY OF OAKLAND
AGENDA REPORT**

2003 DEC 23 AM 11: 22

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Fire Department
DATE: January 6, 2004

RE: PUBLIC HEARING AND ADOPTION OF A RESOLUTION ESTABLISHING THE OAKLAND WILDFIRE PREVENTION ASSESSMENT DISTRICT; ACCEPTING AND GRANTING FINAL APPROVAL OF THE ENGINEER'S REPORT AND ASSESSMENT DISTRICT BOUNDARY MAP AND DESCRIPTION; MAKING A DETERMINATION WITH REGARD TO THE MAJORITY PROTEST PROCEDURE FOR APPROVAL OF THE ASSESSMENTS; CREATING THE DISTRICT ADVISORY BOARD; AND APPROVING, ADOPTING, AND LEVYING THE ASSESSMENTS FOR THE DISTRICT.

SUMMARY

As outlined in the October 14, 2003 staff report to the City Council, staff recommended the formation of an assessment district to be known as the Oakland Wildfire Prevention Assessment District, to pay for the reduction and management of vegetation in the High Fire Hazard Urban/Wildland interface zone. On November 4, 2003, Council approved an Ordinance and a Resolution authorizing the City Manager to initiate the process of forming an assessment district in the Oakland Hills.

As required by law, an Engineer's Report was completed by a professional planning consultant. The Engineer's Report includes the necessary factual basis for formation of a benefit assessment district, outlines the legal authority for the benefit assessment, identifies the boundaries of the proposed district, describes programs to be funded, specifies the amounts of assessment, and provides the basis for the assessment and the schedule of assessments.

The previously approved Resolution also directed the City Manager to proceed with the required mail-in protest vote and schedule a public hearing for January 6, 2004. Public notice and mail-in ballots were sent to property owners in early November. Property owners had 45 days to return their ballot. Ballots must be received prior to the conclusion of the public input portion during the January 6, 2004 public hearing. Council will hear public testimony related to final approval of the Engineer's Report, approval of the Assessment District Boundary Map and description; and approval of the assessment. Council will close the public hearing and continue the item until January 20, 2004 so that Ballots may be tallied prior to the hearing and a determination may be made whether or not there is a majority protest against the proposed assessment. If the "Yes" ballots received, weighted by the assessment amount, exceed the "No" ballots received, weighted by the assessment amount, City Council can impose the assessment.

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If the district passes by a majority of the "Yes" Ballots received, weighted by the assessment amount, Council will create a Citizen Advisory Committee including representatives from the four affected Council districts within the assessment area for the purpose of evaluating the performance of the district. The advisory committee will also recommend program policies, priorities and budget allocations and recommend and receive the annual auditor's report. Council will further approve, adopt and levy an annual assessment to pay for all activities, and services provided for in the Engineer's Report.

FISCAL IMPACT

If approved by City Council after the majority protest procedure, the Resolution would create the Oakland Wildfire Prevention Assessment District, and would entail a fiscal impact for the assessment imposed for City owned property of approximately \$148,000 annually.

The assessment rate for each type of land use within the District is shown below.

Assessment Rates			
Land Use	Developed	Improved	Undeveloped
Single Family	\$65.00/parcel	N/A	\$16.25/parcel
Condominium/Town home	\$48.75/unit	N/A	\$68.74/acre
Multi-Family	\$32.50/unit	N/A	\$68.74/acre
Commercial/Industrial/ Institutional/Recreational	\$274.95/acre	\$82.49/acre	\$68.74/acre
Public	\$274.95/acre	\$82.49/acre	\$34.37/acre

With the approval of the assessment, approximately \$1.8 million will be generated by all public and private property owners. In the first year, one-time costs of \$121,000 will be reimbursed by the District for the Engineer's Report, public outreach, notification and ballots, and start-up costs of the Assessment District, leaving \$1.625 million to be expended by the Fire Department for vegetation management and abatement programs in 2004-05. Future years' on-going costs are estimated at \$54,000 for annual audit, expenses of the Citizen Advisory Committee and the County Assessor's levy. The administrative costs may not exceed 5% of the annual Assessment District revenues. The District is to be authorized for ten years.

BACKGROUND

The Oakland Hills have a history of wildfires. Dense brush and grasses, steep hillsides, and dry summers followed by autumn Diablo winds create perfect conditions for wildfires in the Oakland Hills. Given the fire hazardous history of the region and the lack of future funding to support vegetation management and wildfire preparedness services and programs, the City Council, City Manager and the Fire Department proposed the creation of this assessment district in the Oakland Hills High Fire Hazard/Wildland interface zone.

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KEY ISSUES AND IMPACTS

The City FY 2003-2005 Adopted Budget includes one-time funding for the Fire Department's Vegetation Management Program for Fiscal Year (2003-2004) only, with no program funding budgeted for 2004-2005. An assessment district guarantees that funding on an annual basis will be available for the continuation of the special fire mitigation programs in the proposed Wildfire Prevention Assessment District area.

Assessment District Formation Process and Schedule

Process

The process to create a special assessment district involved meetings with community representatives, determination as to programs to be funded, specification of district boundaries, and determination of the assessment rate. These program elements are contained in the required Engineer's Report. The proposed assessment is subject to a 45-day notice period, a mail-in protest vote and public hearing, approval by a 50% + 1 weighted majority of voting property owners and confirmation by the City Council. When adopted, the assessment will be forwarded to the County for the 2004 property tax roll.

Public Outreach

To inform the community and gather public input, three (3) public meetings were held with the Citizens Advisory Groups from the proposed assessment area. These meetings included representatives from all the affected homeowner associations, City Council members, consultants, and City staff.

Schedule

October 14

- Presentation of Staff Report to Public Safety Committee;
- Preliminary review of the draft Engineer's Report.

November 4

- City Council adopted a Procedural Ordinance and Resolution of Intention to form the Oakland Wildfire Prevention Assessment District. The Resolution established a Public Hearing date of January 6, 2004.

November 7

- The required Assessment District notice and mail-in ballots were sent to approximately 25,000 property owners. All ballots must be received prior to the conclusion of the public input portion during the January 6, 2004 Public Hearing.

January 6

- Public hearing to hear all public comments, protests and testimony from any and all interested parties is permitted in written and/or oral testimony.
- Council will hear public testimony regarding proposed assessment and receive ballots;

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- Council will direct that ballots be tallied to determine whether or not there is a majority protest against the proposed assessment.

January 7 & 8

- Ballots will be tallied to determine whether or not there is a majority protest against the proposed assessment. If the “Yes” ballots received, weighted by assessment amount, exceed the “No” ballots received, weighted by assessment amount, City Council can impose the assessment.

January 20

- Results of the ballot tabulation will be reported to City Council.
- Council will determine whether a majority protest exists against the proposed assessment.
- If the ballots are in favor, Council may proceed to:
 - accept and grant final approval of the Engineer’s Report;
 - accept and grant final approval of the Assessment District Boundary map and description as outlined in Exhibit A. (The assessment roll and an enlarged map are available for public view in the Office of the City Clerk);
 - Council to create the district Advisory Committee;
 - Council to approve, adopt and levy the annual assessment for the district.

SUSTAINABLE OPPORTUNITIES

Activities under the Vegetation Management Program provide direct benefit through the reduction of fuel load that can lead to catastrophic fires. A primary Fire Department objective continues to be reduction in fire behavior intensities and rates of spread that are controllable, and avoid future losses of life and property.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no direct benefit to disabled and senior citizen access by this resolution. However, improving the fire safety in the hill area benefits all citizens including senior citizens and disabled.

RECOMMENDATION AND RATIONALE

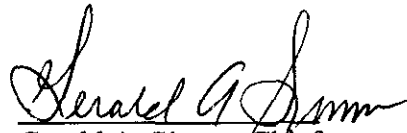
Staff recommends approval of the Resolution establishing the Oakland Wildfire Prevention Assessment District to fund programs for the reduction and management of vegetation, which provide a secure, stable resource pool for vegetation and wildfire prevention management.

ACTION REQUESTED OF THE CITY COUNCIL

The actions requested of the City Council are as follows:

- Close the Public Hearing and continue the item until January 20, 2004, to count the ballots and if there is not a majority protest, Council will:
- Accept and grant final approval of the Engineer's report;
- Accept and grant final approval of the Assessment District Boundary map and description as outlined in Exhibit A;
- Adopt the Resolution establishing the Oakland Wildfire Prevention Assessment District;
- Create the District Advisory Committee; and
- Approve, adopt and levy the assessment for the district.

Respectfully submitted,


Gerald A. Simon, Chief
Oakland Fire Department

Prepared by: Ernest Robinson, III; Fire Marshal
Fire Prevention Bureau

APPROVED AND FORWARDED TO THE
CITY COUNCIL:


Office of the City Manager

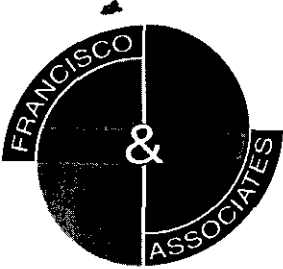
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GENERAL DESCRIPTION:

**Boundary of the Wildfire Prevention
Benefit-Assessment District**

All that area within the City of Oakland generally to the north and east of the following boundaries: beginning at the intersection of the MacArthur Freeway and the common border with the City of San Leandro, northwest on MacArthur Boulevard to Foothill Boulevard; northwest on Foothill Boulevard to Stanley Avenue; northwest on Stanley Avenue to 98th Avenue; southwest on 98th Avenue to Lawlor Avenue; northwest on Lawlor Avenue to Burr Street; northwest on Burr Street to Thermal Street; northwest on Thermal Street to the junction with Seneca Street; southwest from the junction of Thermal and Seneca Streets to MacArthur Boulevard; northwest on MacArthur Boulevard to 82nd Avenue; northeast on 82nd Avenue to Utah Street; northwest on Utah Street to Partridge Avenue; southwest on Partridge Avenue to Hillmont Drive; northwest on Hillmont Drive to Tully Place; southwest on Tully Place to Outlook Avenue; northwest on Outlook Avenue to Parker Avenue; southwest on Parker Avenue to Outlook Avenue; northwest on Outlook Avenue to Seminary; northeast on Seminary Avenue to intersection of the MacArthur Freeway; northwest along the MacArthur Freeway to Buell Street; northeast on Buell Street to Tompkins Avenue; northwest on Tompkins Avenue to 250' northwest of Vale Avenue; continue north to 150' south of Gregory place; continue southwest to Victor Ave; continue south along Patterson Avenue to Wisconsin Street; northwest on Wisconsin Street to Carlsen Street; northwest on Carlsen Street to Maple Avenue; southwest on Maple Avenue to Morgan Avenue; northwest on Morgan Avenue to Barner

Avenue; southwest on Barner Avenue to Morgan Avenue; northwest on Morgan Avenue to Coolidge Avenue; northeast on Coolidge Avenue to Alida Street; northwest on Alida Street to Lincoln Avenue; southwest on Lincoln Avenue to Tiffin Road; southwest on Tiffin Road to Fruitvale Avenue and Diamond Park; southwest, northwest and northeast along boundary of Diamond Park to El Centro; northwest on El Centro to Dolores Avenue; northeast on Dolores Avenue to Park Boulevard; northeast on Park Boulevard to the common border with the City of Piedmont; northwest along the common border with the City of Piedmont to Mountain View Cemetery; northwest through the wooded areas of the cemetery and the Claremont Country Club to Broadway Terrace; southwest on Broadway Terrace to Margarido Drive; north on Margarido Drive to Lawton Avenue; northwest on Lawton Avenue to Broadway; northeast on Broadway along Hwy 24 to Golden Gate Avenue; northwest on Golden Gate Avenue to the common border with the City of Berkeley; continuing west following the common border with the City of Berkeley to Panoramic Way; northeast along the Panoramic Trail to Fish Ranch Road.



FINAL ENGINEER'S REPORT

CITY OF OAKLAND



OAKLAND WILDFIRE PREVENTION
ASSESSMENT DISTRICT

Fiscal Year 2004-05 Levy

Prepared for:
City of Oakland
Alameda County, California

Prepared by:
Francisco & Associates, Inc.

January 6, 2004

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APPENDIX

Appendix A - Assessments Rates for Various Land Uses

Appendix B - FY 2004 -05 Assessment Roll

MAYOR

Jerry Brown

CITY COUNCIL MEMBERS

Jane Brunner, District 1
Council Member

Danny Wan, District 2
Council Member

Nancy Nadel, District 3
Council Member

Jean Quan, District 4
Council Member

Ignacio De La Fuente, District 5
President of the Council

Desley Brooks, District 6
Council Member

Larry Reid, District 7
Council Member

Henry Chang, At Large
Council Member

CITY STAFF MEMBERS

Deborah Edgerly
Interim City Manager

John Russo
City Attorney

Ceda Floyd
City Clerk

Gerald Simon
Fire Chief/Director of Fire Services Agency

ASSESSMENT ENGINEER

Francisco & Associates, Inc.

CERTIFICATES

FISCAL YEAR 2004-05

The undersigned respectfully submits the enclosed Engineer's Report as directed by the City of Oakland pursuant to the provisions of Section 50078 of the Government Code of the State of California and per the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance (2003).

Dated: _____

By _____
JOSEPH A. FRANCISCO, P.E.
RCE NO. 40688

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and the Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2003.

Ceda Floyd, City Clerk
City of Oakland
Alameda County, California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and the Assessment Diagram thereto attached was approved and confirmed by the City Council of the City of Oakland, Alameda County, California, on the _____ day of _____, 2004.

Ceda Floyd, City Clerk
City of Oakland
Alameda County, California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and the Assessment Diagram thereto attached was filed with the County Auditor of the County of Alameda, on the _____ day of _____ 2004.

Joseph A. Francisco, P.E.
Francisco & Associates, Inc.

By _____

INTRODUCTION

Pursuant to the provisions of the Government Code of the State of California, commencing with Section 50078, Article 3.6, Fire Suppression Assessments (the "Act") and per the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance (2003), this Engineer's Report is submitted to the City Clerk of the City of Oakland in connection with the proceedings of the City Council to consider the establishment of the Oakland Wildfire Prevention Assessment District. I, Joseph A. Francisco, duly-authorized representative of Francisco and Associates, Inc., consultant to the City, submit this Engineer's Report consisting of the following parts and exhibits:

SECTION I

A listing of the fire prevention services that will be financed from the proceeds of the fire prevention assessment.

SECTION II

A description of the boundaries of the assessment district which includes properties that will benefit from the fire prevention services.

SECTION III

An estimate of the annual costs to provide the fire prevention services to be financed from the proceeds of the fire prevention assessment.

SECTION IV

A description of the methodology used to spread the costs of the fire prevention services to the benefiting properties within the boundaries of the assessment district and the duration of the assessment.

SECTION V

A description specifying the requirements for protest and hearing procedures for the proposed assessment.

SECTION VI

A description of each lot or parcel of property proposed to be subject to the fire prevention assessment, including the amount of the assessment on each lot or parcel for FY 2004-05 and the maximum amount of the assessment which may be levied on each lot or parcel during any fiscal year.

SECTION I

DESCRIPTION OF SERVICES

The Oakland Wildfire Prevention Assessment District will provide the following services described below:

Goat Grazing—Utilizes herds of goats to clear the excess brush that allows fires to spread rapidly. The goats remove vegetation from the large public open space areas within the assessment district boundaries.

Vegetation Management – Private contractors and city crews would provide the district's vegetation reduction and management programs where the goats are not able to graze. This includes open space and canyon hill parcels, firebreaks and roadside clearance along public streets and evacuation routes within the district. Additionally, fire companies and vegetation management inspectors annually inspect district properties to identify those that are in violation of the Oakland Fire Code. The inspectors will notify non-compliant property owners and after conducting re-inspections, non-compliant property owners will be charged the cost of having contractors bring the private property back into compliance.

Yard Waste Disposal— This program assists private property owners by providing a convenient way to dispose of tree branches, brush and other yard waste that can fuel fires. The district will provide crews to process private property owners' yard waste into wood chips or mulch for the owners' use, or provide other means of disposal.

CORE Training and Fire Prevention Education – Citizens of Oakland Respond to Emergencies (CORE) will provide special training to district neighborhoods and schools, to assist in preventing fires and planning safe evacuation routes in the event of a fire.

Roving Fire Patrols— This program will provide additional fire patrols to monitor properties within the boundaries of the assessment district during high fire hazard days to monitor, correct and report potential fire hazards to the Fire Department.

SECTION II

DESCRIPTION OF ASSESSMENT DISTRICT BOUNDARIES

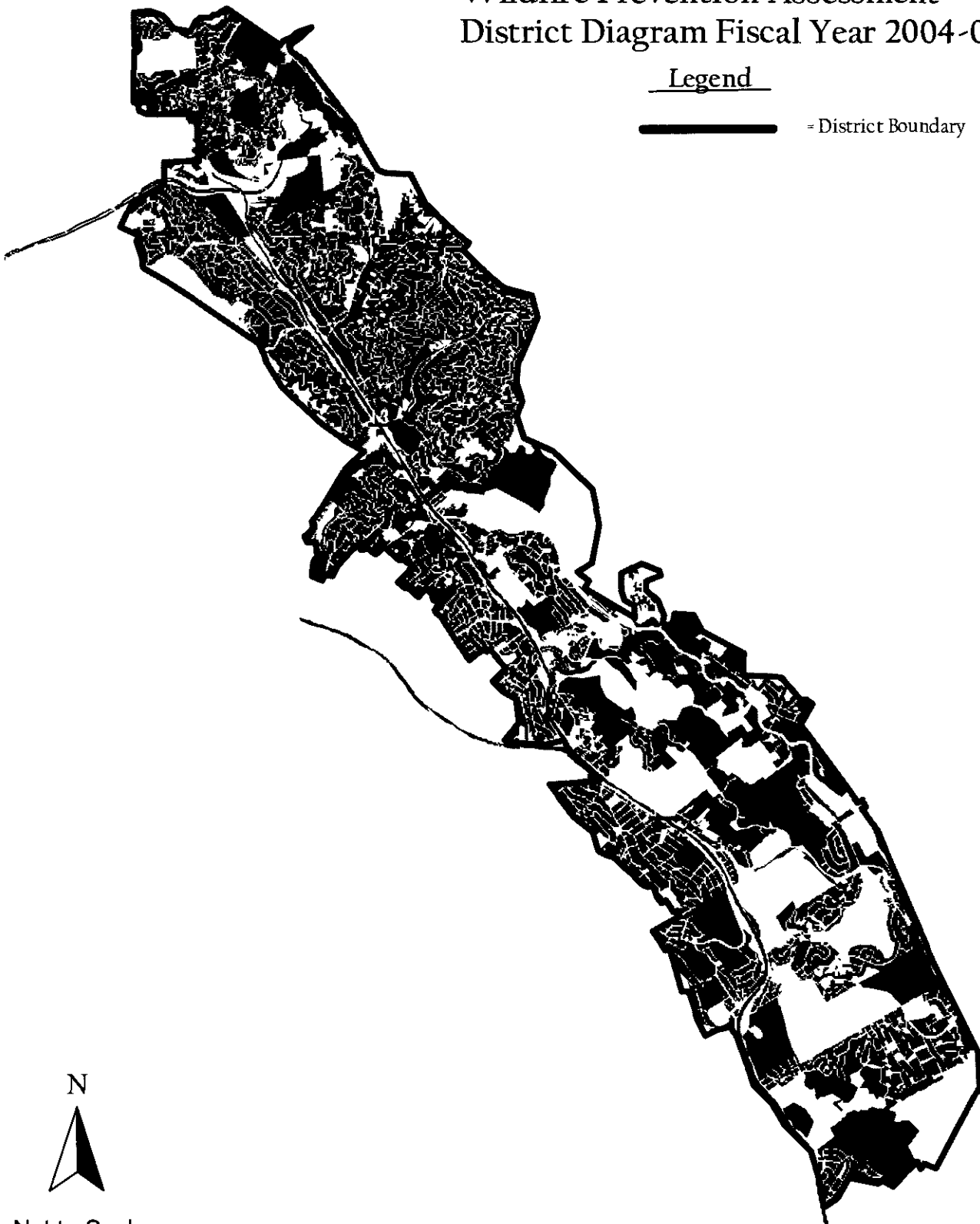
The Oakland Wildfire Prevention Assessment District boundaries were developed with assistance from the City of Oakland Fire Department and the California Department of Forestry and Fire. Properties located within the proposed assessment district are generally within the Oakland Hills and the surrounding areas. These properties are unique because they are located within and among extreme dense vegetation which puts them at a high risk of loss or damage if a wildland fire were to start and spread.

For a more detailed description of the parcels, refer to the Assessment Diagram which is included on the following page of this report. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Alameda County Assessor's Office for the year when this Report was prepared.

City of Oakland Wildfire Prevention Assessment District Diagram Fiscal Year 2004-05

Legend

———— = District Boundary



Not to Scale

SECTION III

ESTIMATE OF ANNUAL COSTS

The budget to provide the fire prevention programs for Fiscal Year 2004-05 is summarized below. These cost estimates were prepared by the City of Oakland Fire Department with input from the Wildfire Prevention District Steering Committee.

Oakland Wildfire Prevention Assessment District FY 2004-05 Budget	
	Amount
Revenues	
Carryover from FY 2003-04	\$0
FY 2004-05 Assessment Revenue	<u>\$1,800,000</u>
Total	\$1,800,000
Expenditures	
<u>Services</u>	
Goat Grazing Program	\$250,000
Yard Waste Disposal Program	\$225,000
Vegetation Management Program	\$900,000
CORE Training and Fire Prevention Education Program	\$150,000
Roving Fire Patrol Program	<u>\$100,000</u>
Subtotal	\$1,625,000
<u>District Administration</u>	
Annual Audit	\$10,000
City Staff/Commission Expenses	\$10,000
Public Opinion Survey (one time cost)	\$17,000
Mailing Cost for Balloting (one time cost)	\$43,000
Public Outreach (one time cost)	\$10,000
Assessment Engineering (\$20,000 +/- in subsequent years)	<u>\$51,000</u>
Subtotal	\$141,000
<u>County Administration</u>	
County Assessment Levy Charges	<u>\$30,000</u>
Subtotal	\$30,000
<u>Reserves</u>	
Operating Reserves	\$4,000
Subtotal	\$4,000
Total Expenditures	\$1,800,000

The Act requires that a special separate fund be established for the revenues and expenditures of the District. Any balance remaining on June 30 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements (e.g. tiger mower or chipper) and operating reserves for this district. Assessment revenues can only be used for the fire prevention programs and services stated herein and cannot be diverted to other uses.

In future years City staff, with citizen input, will review the effectiveness of each fire prevention program to determine if there should be an increase or decrease in funding or whether the program should be eliminated. The proposed listing of fire prevention programs and their corresponding budgets will be presented to City Council for their review and approval annually.

Each fiscal year the City will have an independent audit conducted to ensure that assessment revenues were only expended on the authorized services and programs stated herein. The results of each independent audit will be available for public inspection.

SECTION IV

DESCRIPTION OF THE BENEFIT SPREAD METHODOLOGY

The following benefit spread methodology was developed to establish the basis for apportioning the cost of fire prevention programs to each lot or parcel within the assessment district, based upon the size and type of use of each property. The benefit spread methodology was developed by Francisco & Associates, Inc. based upon information provided by the City of Oakland, discussions with City staff, Fire District personnel; the requirements of Article 3.6, of the Government Code 50078.2 entitled, 'Fire Suppression Assessments' and per the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance (2003)."

Properties located within the Oakland Hills and surrounding areas are at a disproportionately high risk of damage resulting from the spread of wildfires. The proposed assessment district is made up of parcels which all share this greater than average vulnerability. In order to mitigate the wildfire threat to this area, the Oakland Wildfire Prevention Assessment District will generate funding to supply additional fire prevention programs to these high risk properties. The fire prevention services will focus on sharply reducing excess brush, grasses and other fuels that allows fires to start and spread rapidly, educating District property owners about fire prevention efforts and safe courses of action in the event of a fire, and providing roving fire patrols in the area on high fire hazard days.

Reducing wildfire fuel sources within the assessment district will create defensible spaces and firebreaks to impede a fire's ability to spread quickly. These defensible spaces and firebreaks will enable firefighters to surround and contain the fire more easily. Each parcel in the District will benefit from the fire prevention programs that will enhance the ability to confine a fire before it can extend its reach across multiple properties. Parcels located within these well-cleared areas will also have a reduced risk of damage or loss to their buildings and structures if a fire were to occur.

ASSESSABLE PARCELS

The land use classifications which are included within the boundaries of the assessment district are defined as follows:

Single-Family – Single-family parcels are defined as parcels that have a land use classification as single-family residential with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Condominium/Townhome – Condominium and townhome parcels are defined as parcels that have a land use classification as condominium, townhome, attached planned unit development or co-op with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Multi-Family – Multi-family parcels are defined as parcels that have a land use classification as multifamily, which includes duplexes, triplexes, apartments, etc., with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Mobile Home – Mobile home parcels are defined as parcels that have a land use classification as mobile home with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Commercial/Industrial – Commercial and industrial parcels are defined as parcels that have a land use classification as commercial or industrial with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Recreational/Institutional/Utility – Recreational, institutional and utility parcels are defined as parcels that have a land use classification as recreational or institutional with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

Public Parcels – Public parcels are defined as parcels that have a land use classification as public with the Alameda County Assessor's office and are located within the boundaries of the assessment district.

BENEFIT UNITS

To establish the benefit assessment amount for each individual parcel a benefit unit system has been developed. Each parcel is assigned benefit units in proportion to the estimated benefit the parcel receives from the fire prevention programs. The benefit assessment amount for each parcel is then determined by multiplying the number of benefit units for each parcel by \$65.00. In order to calculate the benefit units for each parcel, two (2) components were considered. These components are the number of Equivalent Dwelling Units and the Benefit Factor as described below:

Equivalent Dwelling Units

Since the properties within the assessment district vary in parcel size and in use of the property the benefit unit system must make sure that the parcels are assessed in proportion to the benefit they receive from the fire prevention programs. One common Assessment Engineering method used to equate this deviation in parcel size and use is the Equivalent Dwelling Unit. This process takes the typical single-family parcel and assigns it one (1.00) Equivalent Dwelling Unit (EDU). All other land uses are compared to the single-family parcel and assigned a proportionate number of EDUs. For example, a developed condominium parcel is typically smaller in parcel size and has less improved square footage compared to a developed single-family parcel. Therefore, in order to make sure the developed condominium parcel is assessed less than the developed single family parcel the condominium parcel is assigned fewer EDUs. The number of Equivalent Dwelling Units assigned to each land use class within the assessment district is summarized below:

Single Family Parcels – Since the single family parcel represents over 80 percent of the total parcels within the assessment district, it is used as the basic unit and is defined as one equivalent dwelling unit (1.0 EDU).

Condominium/Townhome Parcels – Condominium and townhome parcels are typically smaller in structure/building size relative to the typical single family residence. Therefore condominium and townhome parcels are defined as 0.75 EDUs.

Multi-family and Mobile Home Parcels – Multi-family units and mobile home parcels are also typically smaller in structure/building size relative to the typical single family residence. Therefore multi-family units and mobile home parcels are defined as 0.50 EDUs.

Commercial, Industrial, Recreational, Institutional, Utility and Public Parcels – Commercial, industrial, recreational, institutional, utility and public parcels are converted to EDUs based on the lot size of each parcel of land. Within the District boundaries the approximate density of single-family residential parcels per acre is 4.23 single-family parcels/acre. Therefore, Commercial, Industrial, Recreational, Institutional and Public Parcels are assessed 4.23 EDUs per acre.

Benefit Factor Allocation

Since the properties within the assessment district vary in their development status (e.g., developed, improved and undeveloped), the Benefit Unit System must make sure that the parcels are assessed in proportion to the special benefit they receive from the fire prevention programs. Therefore all of the parcels within the boundaries of the assessment district have been assigned to one of the following development categories:

Developed: The parcel has a significant building or structure. For example, a single family home, apartment building, commercial or industrial building, library, etc.).

Improved: The parcel has does not have a building or structure but has minimal improvements such as landscaping and irrigation. This classification could apply to parks, golf courses, cemeteries, etc. If a large parcel such as a golf course parcel has a structure (i.e. clubhouse), then only that portion of the parcel that contains the structure will be classified as developed and the remaining portion will be classified as improved.

Undeveloped: The parcel does not have any improvements.

The method used to calculate this deviation in parcel development status is the Benefit Factor. Because the developed property would receive the greatest amount of special benefit from the fire prevention programs the developed category has been assigned a Benefit Factor of 1.00. All other development categories are compared to the developed category and assigned a Benefit Factor based upon the estimated special benefit they receive from the fire prevention programs relative to the developed category.

In order to determine the Benefit Factor that should be assigned to each development category we first determined the special benefits that developed parcels could receive from the fire prevention programs. These special benefits generally fall within the following categories:

- Protection of the house or building structure.
- Protection of minor structures such as garages, fences, decks, etc.
- Protection of the installed landscaping and irrigation.
- Protection of natural vegetation.
- Reduced risk of potential liability if a fire starts on a parcel.
- Protection against the risk of clean-up costs after a fire event (removal of destroyed structures, dead vegetation, etc.).

Each development category was compared to the developed category and then assigned a Benefit Factor in proportion to the estimated benefits the development category receives relative to the developed parcel. The tables shown below indicate which special benefits the developed, improved and undeveloped parcels receive from the proposed fire prevention programs.

Developed Parcels (Public and Private) – Special Benefits

Special Benefits Received	Benefit Received
Protection of the house or building structure	Yes
Protection of minor structures such as garages, decks, sheds, etc	Yes
Protection of installed landscaping and irrigation	Yes
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	Yes
Protection against the risk of clean-up costs after a fire event	Yes

Improved Parcels (Public and Private) – Special Benefits

Special Benefits Received	Benefit Received
Protection of the house or building structure	No
Protection of minor structures such as garages, decks, sheds, etc	No
Protection of installed landscaping and irrigation	Yes
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	Yes
Protection against the risk of clean-up costs after a fire event	Yes

Undeveloped Private Parcels – Special Benefits Factor

Special Benefits Received	Benefit Received
Protection of the house or building structure	No
Protection of minor structures such as garages, decks, sheds, etc	No
Protection of installed landscaping and irrigation	No
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	Yes
Protection against the risk of clean-up costs after a fire event	Yes

Undeveloped Public Parcels – Special Benefits Factor

Special Benefits Received	Benefit Received
Protection of the house or building structure	No
Protection of minor structures such as garages, decks, sheds, etc	No
Protection of installed landscaping and irrigation	No
Protection of natural vegetation	Yes
Reduced risk of potential liability if a fire starts on a parcel	No
Protection against the risk of clean-up costs after a fire event	Yes

Based upon discussions with City staff, the Fire Department and citizen input from the Wildfire Prevention District Steering Committee the following Benefit Factors have been assigned to each development category as shown below:

Development Status	Benefit Factor
Developed Private and Public Properties	1.0000
Improved Private and Public Parcels	0.3000
Undeveloped Private Parcels	0.2500
Undeveloped Public Parcels	0.1250

Calculation of Benefit Units

To calculate each parcel's number of Benefit Units, the Equivalent Dwelling Units (EDUs) assigned to each parcel are multiplied by the Benefit Factor assigned to each parcel as shown below.

$$\text{Benefit Units} = \text{Number of Equivalent Dwelling Units (EDUs)} \times \text{Benefit Factor (BF)}$$

The Benefit Units assigned to each parcel classification within the assessment district is shown on the following page:

Oakland Wildfire Prevention Assessment District Benefit Unit Calculations			
<u>Developed Land Use</u>	<u>Equivalent Dwelling Units (EDUs)</u>	<u>Benefit Factor (BF)</u>	<u>Benefit Units (BUs)</u>
Single Family Residential	1.000 per Parcel	1.000 per Parcel	1.000 per Parcel
Condominium/Townhouse	0.750 per Unit	1.000 per Unit	0.750 per Unit
Multi-Family (Apartments) and Mobile Home	0.500 per Unit	1.000 per Unit	0.500 per Unit
Commercial, Industrial, Public Institutional, Recreational, Utility	4.230 per Acre	1.000 per Acre	4.230 per Acre
<u>Improved Land Use</u>	<u>Equivalent Dwelling Units (EDUs)</u>	<u>Benefit Factor (BF)</u>	<u>Benefit Units (BUs)</u>
Commercial, Industrial, Public Institutional, Recreational, Utility	4.230 per Acre	0.300 per Acre	1.269 per Acre
<u>Undeveloped Land Use</u>	<u>Equivalent Dwelling Units (EDUs)</u>	<u>Benefit Factor (BF)</u>	<u>Benefit Units (BUs)</u>
Single Family Residential	1.000 per Parcel	0.250 per Parcel	0.250 per Parcel
Commercial, Industrial, Institutional, Recreational, Utility Condominium/Townhouse, Multifamily, Mobile Home	4.230 per Acre	0.250 per Acre	1.058 per Acre
Public	4.230 per Acre	0.125 per Acre	0.529 per Acre

FINAL ASSESSMENT RATES AND BUDGET (FY2004-05)

The assessment rate has been set at \$65.00 per Benefit Unit. The total estimated number of Benefit Units within the proposed assessment district is 27,692.31 BUs. Therefore the total revenue expected to be generated each year is \$1,800,000 ($\$65.00/\text{BU} \times 27,692.31 \text{ BUs}$).

MAXIMUM ASSESSMENT

The maximum assessment amount that can be levied in any given year is \$65.00 per Benefit Unit. The assessment amount may not be increased above these levels in the future unless either a parcel changes development status (e.g. goes from undeveloped to developed) or a new balloting procedure is held and the increased assessment is approved by a majority of the property owners voting, weighted by assessment amount. The City Council does have the authority to levy the annual assessment at a rate less than \$65.00 per Benefit Unit.

DURATION OF ASSESSMENT

The proposed assessment may be levied annually by the City Council, beginning July 1, 2004 for a period of ten (10) years.

ACCURACY OF DATA

The data utilized in developing the assessment rate calculations has been taken directly from the Alameda County Assessors Roll. Should a property owner find a discrepancy regarding his/her parcel, the property owner or designee should notify the City Clerk of the City of Oakland in writing at One Frank H. Ogawa Plaza, Oakland, CA. If warranted, the City will process a correction to the property owner's annual assessment.

SECTION V

REQUIREMENTS FOR PROTEST AND HEARING PROCEDURES
(Section 53753 of the Government Code)

The City of Oakland shall give notice by mail to the record owner of each identified parcel within the boundaries of the assessment district. Each notice shall include the total amount of the proposed assessment chargeable to the entire assessment district, the amount chargeable to the record owner's parcel, the duration of the assessment payments, the reason for the assessment and the basis upon which the amount of the proposed assessment was calculated, and the date, time, and location of a public hearing on the proposed assessment. Each notice shall also include, in a conspicuous place thereon, a summary of the procedures for the completion, return, and tabulation of the assessment ballots, including a statement that the assessment shall not be imposed if the ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment, with ballots weighted according to the proportional financial obligation of the affected property. The notice should also include the name and telephone number of the person designated by the City to answer inquiries regarding the protest proceedings.

The City shall give notice by mail at least 45 days prior to the date of the public hearing upon the proposed assessment. Each notice shall contain an assessment ballot that includes the agency's address for receipt of the ballot and a place where the person returning the assessment ballot may indicate his or her name, a reasonable identification of the parcel, and his or her support or opposition to the proposed assessment. Each assessment ballot shall be in a form that conceals its contents once it is sealed by the person submitting the assessment ballot. Each assessment ballot shall be signed and either mailed or otherwise delivered to the address indicated on the assessment ballot. Regardless of the method of delivery, all assessment ballots shall be received at the address indicated, or the site of the public hearing, in order to be included in the tabulation of a majority protest.

Assessment ballots shall remain sealed until the tabulation of ballots which will be conducted after the public testimony portion of the public hearing has concluded. However, any assessment ballot may be changed, or withdrawn by the person who submitted the ballot prior to the conclusion of the public testimony on the proposed assessment at the hearing.

At the time, date, and place stated in the mailed notice, the City shall conduct a public hearing upon the proposed assessment. At the public hearing, the City Council shall consider all objections or protests, if any, to the proposed assessment. At the public hearing, any interested person shall be permitted to present written or oral testimony. The public hearing may be continued from time to time. At the conclusion of the public hearing, an impartial person designated by the City who does not have a vested interest in the outcome of the proposed assessment shall tabulate the assessment ballots submitted, and not withdrawn, in support of or opposition to the proposed assessment. The impartial person may include, but is not limited to,

the City Clerk. The impartial person may use technological methods of tabulating the assessment ballots, including, but not limited to, punchcard or *optically readable (bar-coded)* assessment ballots. During and after the tabulation, the assessment ballots shall be treated as disclosable public records, and equally available for inspection by the proponents and the opponents of the proposed assessment. In the event that more than one of the record owners of an identified parcel submits an assessment ballot, the amount of the proposed assessment to be imposed upon the identified parcel shall be allocated to each ballot submitted in proportion to the respective record ownership interests or, if the ownership interests are not shown on the record, as established to the satisfaction of the City by documentation provided by those record owners.

A majority protest exists if the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed the assessment ballots submitted, and not withdrawn, in its favor, weighting those assessment ballots by the amount of the proposed assessment to be imposed upon the identified parcel for which each assessment ballot was submitted. If there is a majority protest against the imposition of the new assessment the City shall not impose the assessment.

SECTION VI

ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels, and the description of each lot or parcel within the Oakland Wildfire Prevention Assessment District is shown on the last equalized Property Tax Roll of the Alameda County Assessor, which by reference is hereby made a part of this report.

This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll, which includes the proposed amount of assessments apportioned to each lot or parcel. The Assessment Roll is included in this report in Appendix "B".

APPENDIX "A"

SAMPLE ASSESSMENTS FOR VARIOUS LAND USES

Oakland Wildfire Prevention Assessment District Assessments Rates			
<u>Developed Land Use</u>	<u>Benefit Units (BUs)</u>	<u>Annual Assessment</u>	<u>Monthly Equivalent</u>
Single Family Residential	1.000 per Parcel	\$65.00 per Parcel	\$5.42 per Parcel
Condominium/Townhouse	0.750 per Unit	\$48.75 per Unit	\$4.06 per Unit
Multi-Family (Apartments) Mobile Home	0.500 per Unit	\$32.50 per Unit	\$2.71 per Unit
Commercial, Industrial, Public Institutional, Recreational, Utility	4.230 per Acre	\$274.95 per Acre	\$22.91 per Acre
<u>Improved Land Use</u>	<u>Benefit Units (BUs)</u>	<u>Annual Assessment</u>	<u>Monthly Equivalent</u>
Commercial, Industrial, Public Institutional, Recreational, Utility	1.269 per Acre	\$82.49 per Acre	\$6.87 per Acre
<u>Undeveloped Land Use</u>	<u>Benefit Units (BUs)</u>	<u>Annual Assessment</u>	<u>Monthly Equivalent</u>
Single Family Residential	0.250 per Parcel	\$16.25 per Parcel	\$1.35 per Parcel
Commercial, Industrial, Condominium/Townhouse, Institutional, Recreational, Utility Multifamily, Mobile Home	1.058 per Acre	\$68.74 per Acre	\$5.73 per Acre
Public	0.529 per Acre	\$34.37 per Acre	\$2.86 per Acre

APPENDIX B

FY 2004-05 Assessment Roll

(On File with the City Clerk)

OAKLAND CITY COUNCIL

B. Pabel

RESOLUTION NO. _____ C.M.S.

OFFICE OF THE CITY CLERK
CITY CLERK

2003 DEC 23 AM 11:22

RESOLUTION ESTABLISHING THE OAKLAND WILDFIRE PREVENTION ASSESSMENT DISTRICT; ACCEPTING AND GRANTING FINAL APPROVAL OF THE ENGINEER'S REPORT AND ASSESSMENT DISTRICT BOUNDARY MAP AND DESCRIPTION; MAKING A DETERMINATION WITH REGARD TO THE MAJORITY PROTEST PROCEDURE FOR APPROVAL OF THE ASSESSMENTS; CREATING THE DISTRICT ADVISORY BOARD; AND APPROVING, ADOPTING, AND LEVYING THE ANNUAL ASSESSMENT FOR THE DISTRICT

WHEREAS, the City Council of the City of Oakland enacted the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance (the "Ordinance") establishing the procedures for the formation of fire suppression, prevention, and preparedness districts within the City of Oakland on November 18, 2003; and

WHEREAS, the laws of the State of California in Government Code Section 50078, et seq. ("state law") provide an independent basis for the creation of fire suppression districts; and

WHEREAS, the City Council of the City of Oakland wishes to form the Oakland Wildfire Prevention Assessment District ("District") independently pursuant to the Ordinance and state law and has had prepared in the furtherance thereof a detailed Engineer's Report constituting the Benefit Assessment Report required for the formation of the district ("Engineer's Report") (Exhibit A); and

WHEREAS, the Engineer's Report is a detailed engineer's report prepared by a registered professional engineer recognized by the State of California; and

WHEREAS, the Engineer's Report was prepared in accordance with the provisions of Article XIII of the California Constitution, for proceedings in formation of this District; and

WHEREAS, the Engineer's Report, incorporated by this reference, provides for the funding of services and activities of particular benefit to the properties located within the District (as more specifically identified in the Engineer's Report); and

WHEREAS, the Engineer's Report was prepared in accordance with the provisions of the Ordinance and state law and the California Constitution overseeing the formation of such districts as referenced above; and

WHEREAS, the City Council of the City of Oakland adopted a Resolution of Intention to form the Oakland Wildfire Prevention Assessment District ("District") on November 4, 2003; and

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ORA/COUNCIL
JAN 6 2004

WHEREAS, the City Council of the City of Oakland finds that all the legal prerequisites for the formation of the District independently under the Ordinance and under state law have been met and that there has been no valid protest that would preclude formation of the District:

NOW, THEREFORE, the City Council of the City of Oakland finds that the Engineer's Report for the District satisfies all the requirements of the Ordinance, the laws of the State of California and the California Constitution with regard to the formation of such districts, and does hereby find and resolve as follows:

1. The City Council finds that the City Clerk gave notice of these proceedings as required by Government Code Section 53753 and in compliance with the Ordinance, state law, and Article XIII of the California Constitution, and gave all other notices and took all other actions required by law with regard thereto.
2. A Public Hearing was held on January 6, 2004 (at 7:01 P.M. in the City Council Chambers in City Hall, located at 1 Frank H. Ogawa Plaza, Oakland California) to hear all public comments, protests, count the returned ballots as to the formation of the District and approval of the assessment, and thereafter to take final action as to the formation of the District and the annual assessment for the District.
3. At the hearing the testimony of all interested persons for or against the establishment of the District, the boundaries of the District, the funding of the specified types of services and activities through the special assessment, and the imposition of the annual assessment for the District was heard. All protests, both written and oral, are overruled and denied and the City Council finds that there is not a majority protest within the meaning of the Ordinance and state law.
4. The City Council finds, determines and declares that the District and each parcel therein is benefited by the services and activities funded by the assessment to be levied, including all expenses incurred incidentally thereto, upon the lots and parcels of real property in proportion to the estimated benefits to be received as specified in the Engineer's Report.
5. A fire suppression, prevention and preparedness district is hereby established independently pursuant to the Ordinance and state law with the boundaries as specified in the Engineer's Report, Description of Assessment District Boundaries, Assessment Roll, and map.
6. The Engineer's Report for the District and the proposed assessment district boundary description, assessment roll and map is accepted and approved and the assessments for the first

year shall be as provided for in the Engineer's Report and assessment roll. The assessments for each subsequent year shall be as specified in the Engineer's Report and assessment roll unless modified by the City Council as provided for in the Ordinance.

7. The name of the District shall be the Oakland Wildfire Prevention Assessment District ("District").
8. The reasons for the assessments and the types of activities and services proposed to be funded by the levy of assessments on property in the District and the time period for which the proposed assessments are to be made are those specified in the Engineer's Report.
9. An assessment will be levied annually to pay for all activities and services described in the Engineer's Report for the District. Non-program administrative expenses shall be limited to 5% of the District's annual budget.
10. The boundaries of the District and of each separate benefit zone within the district are delineated in the description contained in the Engineer's Report.
11. The proposed method and basis of levying the assessments to be levied against each property in the District are based on the factors and classifications specified in the Engineer's Report.
12. The total assessments for the entire District for the first year of the District, and the amount chargeable to each parcel are as shown in the Engineer's Report.
13. The District shall be in existence for a period of ten (10) years during which time no increase in the amount of the assessment on each property shall be allowable without further protest procedure and action by Council unless there is a change in the use or classification of the property as provided for in the Engineer's Report.
14. The assessment shall be attached to the property and collected with the annual county property taxes, and shall continue annually as provided for in the Engineer's Report for each year that the District is in existence unless modified by the City Council.
15. The City Council hereby creates an Advisory Committee for the District as provided for in the Ordinance. The City Councilmember for each of the four Council Districts within the Assessment District shall appoint two members to the Citizens' Advisory Committee; the At-Large Councilmember shall appoint one member and the Mayor shall appoint two members, one of whom must be a firefighter by profession. All Advisory Committee members must live in the Assessment District. Advisory Committee appointees shall serve for a period of two years. However, for the initial appointments by the Mayor and

the Councilmembers who appoint two members to the Advisory Committee one appointment shall be for a term of two years and the other for a term of three years. Thereafter each subsequent appointment shall be for a term of two years. The advisory committee shall have the following responsibilities:

- A. Produce a budget to be submitted to the City Council for approval;
 - B. Evaluate the performance of District programs;
 - C. Recommend program priorities;
 - D. Recommend policies;
 - E. Recommend the independent auditor and receive the auditor's report;
 - F. Elect its own officers.
16. There shall be an annual independent audit of the District.
17. The City Clerk shall file and record a notice and map describing the assessment district or such other describing documentation as is required to complete the assessment levy with the appropriate county office.
18. Properties in the District and the operation of the District shall be subject to the provisions of and any amendments to the Oakland Fire Suppression, Prevention, and Preparedness District Ordinance.
19. The City Manager is hereby authorized to enter into contracts on behalf of the District for services, goods, or materials required by the District, and shall have the same contracting authority and limits as for other City of Oakland contracts.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, ____

PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, CHANG, , BROOKS, NADEL, REID, , QUAN, WAN and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

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ORA/COUNCIL
JAN 6 2004