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OFFICE OF THE CITY CLERK  
OAKLAND

CITY OF OAKLAND 2012 MAY 23 PM 4: 15

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Sabrina Landreth  
Budget Director

SUBJECT: Emergency Medical Services Parcel Tax -  
Cost of Living Adjustment for FY 2012-13

DATE: April 24, 2012

City Administrator  
Approval

Date

5/15/12

COUNCIL DISTRICT: City-Wide

## RECOMMENDATION

Staff recommends that the City Council adopt the proposed ordinance authorizing a 2.6 percent increase, consistent with the Consumer Price Index, in the tax imposed pursuant to the Emergency Medical Services Retention Act of 1997.

## OUTCOME

Adjustment of the FY 2012-13 special parcel tax for the Emergency Medical Services Retention Act of 1997, consistent with the Consumer Price Index (CPI).

## BACKGROUND/LEGISLATIVE HISTORY

In June 1997, the electorate of Oakland approved, by more than a two-thirds majority, the Emergency Medical Services Retention Act of 1997 (Measure M). 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 replaced funding from a previous assessment imposed by the City that was invalidated by Proposition 218. The Measure M legislation authorizes the City Council to increase the tax rates by a cost-of-living factor beginning in Fiscal Year 1998-99 and continuing each fiscal year thereafter. A 2.6 percent increase the Measure M special parcel tax rates is proposed for FY 2012-13, consistent with the Consumer Price Index increase for the San Francisco Bay Area during calendar year 2011.

Beginning FY 1998-99 and continuing each fiscal year thereafter, the Measure M legislation allows the City Council to adjust the tax rates in accordance with the CPI for the immediate San Francisco Bay Area. At no time, however, may the rates be increased by more than 5.0 percent of the tax rates imposed by ordinance during the immediate preceding fiscal year.

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

<i>Historical Measure M Rate Increases</i>		
<i>Council Action Date</i>	<i>Percent Increase</i>	<i>Effective Date</i>
<i>July 11, 2000</i>	<i>4.2%</i>	<i>July 1, 2000</i>
<i>June 5, 2001</i>	<i>4.5%</i>	<i>July 1, 2001</i>
<i>June 11, 2002</i>	<i>5.0%</i>	<i>July 1, 2002</i>
<i>June 19, 2003</i>	<i>1.6%</i>	<i>July 1, 2003</i>
<i>June 10, 2004</i>	<i>1.8%</i>	<i>July 1, 2004</i>
<i>June 16, 2005</i>	<i>1.2%</i>	<i>July 1, 2005</i>
<i>June 8, 2006</i>	<i>2.0%</i>	<i>July 1, 2006</i>
<i>June 19, 2007</i>	<i>3.2%</i>	<i>July 1, 2007</i>
<i>June 17, 2008</i>	<i>3.3%</i>	<i>July 1, 2008</i>
<i>June 16, 2009</i>	<i>3.1%</i>	<i>July 1, 2009</i>
<i>June 1, 2010</i>	<i>0.7%</i>	<i>July 1, 2010</i>
<i>June 1, 2011</i>	<i>1.4%</i>	<i>July 1, 2011</i>

**ANALYSIS**

The proposed ordinance applies an increase of 2.6 percent to the current Measure M special parcel tax amount, effective July 1, 2012. This increase is per the actual change in the San Francisco Bay Area CPI during calendar year 2011. The proposed increase applies on a fiscal year basis (i.e., July 1<sup>st</sup> – June 30<sup>th</sup>).

*The following table summarizes the impact of the proposed increases by parcel type:*

<b>Proposed Measure M Tax Increases by Parcel Type</b>			
<b>Parcel Type</b>	<b>Current Parcel Rate</b>	<b>Proposed Increase</b>	<b>FY 2012-13 Parcel Rate</b>
Single Family Residential Parcels	\$12.31	\$0.33	\$12.64
Multiple Residential (2 to 4 units)	\$24.63	\$0.64	\$25.27
Multiple Residential (5 or more units)	\$61.57	\$1.61	\$63.18
Commercial	\$24.63	\$0.64	\$25.27
Industrial	\$49.26	\$1.28	\$50.54
Rural	\$12.31	\$0.33	\$12.64
Institutional	\$12.31	\$0.33	\$12.64

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**PUBLIC OUTREACH/INTEREST**

A public hearing on the proposed ordinance to increase the Measure M special parcel tax is scheduled for June 5, 2012 at 6:30 p.m.

**COORDINATION**

This report was prepared in coordination with the City Attorney's Office and Francisco & Associates, the City's Contractor, who annually administers special financing districts on behalf of the City

**COST SUMMARY/IMPLICATIONS**

The FY 2012-13 estimated revenue from Measure M is \$1.82 million, including the proposed rate increase. The proposed annual rate increase of 2.6 percent translates to \$46,155 of the total FY 2012-13 estimated revenue.

**SUSTAINABLE OPPORTUNITIES**

***Economic:***

Revenues generated from the Measure M special tax is relied upon to fund essential City services.

***Environmental:***

There are no direct environmental impacts associated with the City Council action requested in this report.

***Social Equity:***

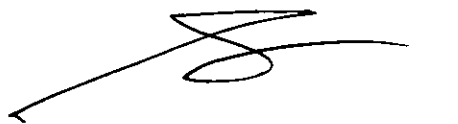
There are no direct social impacts associated with the City Council action requested in this report.

CEQA

This report is not a project under CEQA.

For questions regarding this report, please contact Kirsten LaCasse, Assistant Controller, at (510) 238-6776.

Respectfully submitted,



SABRINA LANDRETH  
Budget Director, Budget Office

Reviewed by:  
Osborn Solitei, Controller

Prepared by:  
Kirsten LaCasse, Assistant Controller  
Budget Operations & Analysis Unit

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Approved as to Form and Legality

  
Oakland City Attorney's Office

## OAKLAND CITY COUNCIL

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

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**ORDINANCE AUTHORIZING A FISCAL YEAR 2012-13 INCREASE TO A SPECIAL TAX IMPOSED FOR EMERGENCY MEDICAL SERVICES, IN ACCORDANCE WITH THE CONSUMER PRICE INDEX, AND PURSUANT TO THE EMERGENCY MEDICAL SERVICES RETENTION ACT OF 1997 (MEASURE M)**

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

**WHEREAS**, Measure M imposed a special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by Section 3 of the Ordinance; and

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

**WHEREAS**, Measure M provided that any tax rate adjustment imposed by the City Council pursuant to the ordinance shall not exceed five percent of the tax rate imposed during the immediately preceding fiscal year; and

**WHEREAS**, a public hearing on this ordinance to increase the Measure M special parcel tax was held on June 5, 2012 at 6:30 p.m. in City Hall, One Frank H. Ogawa Plaza, Oakland, California; now, therefore,

**THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:**

1. The Oakland City Council hereby finds that the Consumer Price Index for all items in the San Francisco Bay Area was 227.47 for calendar year 2010 and 233.39 for calendar year 2011.

2. The cost-of-living in the immediate San Francisco Bay Area as shown by the Consumer Price Index, has increased 2.6 percent from calendar year 2010 and calendar year 2011.
3. The Measure M special tax rate upward adjustment shall be 2.6 percent, effective July 1, 2012.
4. The following rate structure will be imposed on parcels within the City of Oakland effective July 1, 2012 for FY 2012-13:

PROPOSED MEASURE M TAX INCREASES BY PARCEL TYPE			
Parcel Type	Current Parcel Rate	Proposed increase	FY 2012-13 Parcel Rate
Single Family Residential Parcels	\$12.31	\$0.33	\$12.64
Multiple Residential (2 to 4 units)	\$24.63	\$0.64	\$25.27
Multiple Residential (5 or more units)	\$61.57	\$1.61	\$63.18
Commercial	\$24.63	\$0.64	\$25.27
Industrial	\$49.26	\$1.28	\$50.54
Rural	\$12.31	\$0.33	\$12.64
Institutional	\$12.31	\$0.33	\$12.64

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

PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT --

ABSTENTION --

ATTEST:

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

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**Ordinance Authorizing A Fiscal Year 2012-13 Increase To A Special Tax Imposed For Emergency Medical Services, In Accordance With The Consumer Price Index, And Pursuant To The Emergency Medical Services Retention Act Of 1997 (Measure M)**

**NOTICE AND DIGEST**

This Ordinance authorizes an increase to a special tax imposed by the Emergency Medical Services Retention Act of 1997 (Measure M), which was submitted to the voters by Resolution No. 73311 C.M.S. and approved by the voters in June 1997. The Act allows rates to be adjusted for changes in the Consumer Price Index, in an amount not to exceed five percent (5%), as provided in Section 4 of the Resolution. The proposed changes are a total increase of 2.6 percent for FY 2012-13. Effective July 1, 2012, the Single Family Residential rate would increase from \$12.31 to \$12.64, the Multiple Unit Residential rate (2 to 4 units) would increase from \$24.63 to \$25.27, the Multiple Unit Residential rate (5 or more units) would increase from \$61.57 to \$63.18, the Commercial rate would increase from \$24.63 to \$25.27, the Industrial rate would increase from \$49.26 to \$50.54, the Rural rate would increase from \$12.31 to \$12.64, and the Institutional rate would increase from \$12.31 to \$12.64.

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OFFICE OF THE CITY CLERK  
NOTICE OF PUBLIC HEARING

2012 MAY 23 PM 4:15  
REGARDING AN ORDINANCE TO INCREASE THE SPECIAL TAX FOR  
EMERGENCY MEDICAL SERVICES IN ACCORDANCE WITH THE CONSUMER  
PRICE INDEX AND PURSUANT TO THE EMERGENCY MEDICAL SERVICES  
RETENTION ACT OF 1997

On June 5, 2012, the City Council of Oakland, California will consider an ordinance authorizing an increase to the special parcel tax imposed for emergency medical services in accordance with the Emergency Medical Services Retention Act of 1997 (Measure M). The ordinance proposes an increase, effective July 1, 2012, of 2.6% consistent with the Consumer Price Index for the San Francisco Bay Area. The Public Hearing is set for Tuesday, June 5, 2012 at 6:30 p.m., to be held before the City Council in the Council Chambers located on the Third Floor of City Hall, One Frank H. Ogawa Plaza, Oakland, California.