



AGENDA REPORT

TO: G. Harold Duffey
Interim City Administrator

FROM: Erin Roseman
Director, Finance

SUBJECT: SUPPLEMENTAL – FY2022-23
Master Fee Schedule

DATE: February 2, 2023

City Administrator Approval

Date: Feb 3, 2023

RECOMMENDATION

Staff Recommends That The City Council Conduct a Public Hearing and Upon Conclusion:

Adopt An Ordinance Amending Ordinance No. 13698 C.M.S. (Which Adopted The Fiscal Year 2022-23 Master Fee Schedule), To Establish, Modify And Delete Fees And Penalties Assessed By The City of Oakland.

REASON FOR SUPPLEMENTAL

At the January 23, 2023 meeting of the Oakland City Council Finance and Management Committee (“FMC” or “Committee”), the Committee voted to forward this item to the February 7, 2023, City Council agenda as a public hearing, with the request for the following information to be included in a supplemental:

- Inquiries on the Oakland Fire department increases;*
- OPD trainee cost;*
- Human Services agenda production cost deletion & its impacts;*
- City Administrator’s municipal IDs;*
- Discounts on facilities rentals for local non-profits;*
- Fire inspection fees recovery costs city-wide; and*
- the City Attorney’s Office five percent (5%) deletion cost recovery*

This document is intended to be responsive to the FMCs request for a supplemental report.

ANALYSIS AND ALTERNATIVES

Oakland Fire Department Explanation of Cost Increases and Fee Recovery for Inspections

Cost Increases: Oakland Fire Department's updates to the Master Fee Schedule (MFS) were necessitated by cost-of-living adjustments (COLA) and requirements from the memorandums of understanding (MOUs) between the City and labor organizations.

Cost Recovery for Inspections: For hazardous fire areas, the first vegetation management inspection is covered by the general-purpose fund. Inspections are not based on hills vs flat lands. All other inspection fees are charged according to the Master Fee Schedule. There is no difference in fees for similar work completed based on location in the city.

Oakland Police Department Trainee Costs

The Council did direct the Oakland Police Department (OPD) to assess the costs associated with conducting academies, and as a result of that analysis the fee was increased. The total cost per academy in Fiscal Year (FY) 2023-24 is approximately \$3.6 million. Furthermore, prior to accepting a final offer of employment as a Police Officer Trainee (POT), candidates are required to sign a Training Reimbursement Provisions Agreement. As part of the agreement, the candidate commits to working for OPD for a minimum of five years after graduating from the academy. If they separate prior to five years, they will be required to reimburse the City all or a portion of their training cost on a pro-rated basis. The breakdown of reimbursement is as follows:

Before the end of year 1 – 100% repayment of \$20,000 / Amount Due - \$20,000
Before the end of year 2 – 80% repayment of \$20,000 / Amount Due - \$16,000
Before the end of year 3 – 60% repayment of \$20,000 / Amount Due - \$12,000
Before the end of year 4 – 40% repayment of \$20,000 / Amount Due - \$8,000
Before the end of year 5 – 20% repayment of \$20,000 / Amount Due - \$4,000

OPD has one of the best academies in the state, and officers are more sought-after after attending the OPD academy.

Human Services Fee Adjustments for Agenda Production

The fee related to Oakland Fund for Children and Youth Planning and Oversight Committee - Agenda Packet Subscription was increased from \$18.84/ year to \$19.75/year based on COLA increase. The Agenda Packets are available online for no charge. Requests for Agenda Packets are rare, would recommend to the Council to eliminate this fee.

Housing and Community Development - Municipal IDs

The Housing and Community Development Department has discontinued administering the Municipal ID (Muni ID) program since FY 2019-20. A third-party called SF Global, LLC has been administering the program. Although Page 26 of Ordinance No. 13678 listed fees to recover the costs for services from various City departments related to the Muni ID program, we suggest either removing or sunsetting the fees in the City's FY 2023-24 MFS since the City appears not involved in the process.

Reduced Fees for Facility Rentals for Local Non-Profits

In preparation of this report, the Finance Department surveyed departments that may manage the rental of facilities on behalf of the City. A summary of those findings is provided below.

Human Services Department

There is a fee related to Multipurpose Senior Centers; the cost for one meeting room was reduced. The original fee was \$45/hour. The fee was incorrectly listed at \$50/hour. The correct amount is \$47/hour. This amount is in alignment with the approved 5% COLA increase.

Oakland Public Works

Oakland Public Works does not rent facilities.

Oakland Parks and Recreation and Youth Development

The City's Master Fee Schedule for parks and recreation facility rental currently include rates for non-profit entities. The only two exceptions are as follows:

Rotary Nature Center: The use of this facility is reserved for Nature and Environmental Groups, which for the most part are non-profit organizations. Due to room size and to support the naturalist community and provide access to the wildlife refuge, the fee (\$15-\$20/hour) is set below the room rental rate of recreation centers whose hourly rates average from \$40-\$50; and \$25 non-profit.

For clarity, the fee title will be corrected to:

1. Rental (Limited to Nature and Environmental Groups; Non-Profit Rate)

Morcom Rose Garden: Rental has historically been limited to wedding ceremonies and small private gatherings (less than 100 people). The site does not allow for food or drinks due to the fragile, floral nature of its environment. Therefore, the facility is not conducive to events, and a non-profit rate for this facility is not recommended.

Oakland Public Library

All Oakland Public Library meeting rooms are free to the public.

City Attorney's Office Fee Adjustments and Cost Recovery

The City Attorney's office utilizes the rates in the master fee schedule to calculate the office's staff costs for various matters, including, for example, 1) when the City prevails in a litigation matter and the City is entitled to reimbursement of attorneys' fees and costs by statute or court order, 2) to calculate the office's costs for bond issuances, or 3) when the City is forced to defend litigation regarding a project approval, which under Planning Code section 17.130.060.A requires the applicant to reimburse the City for attorneys' fees, including for in-house attorney time spent on the litigation defending the City in its land use decisions. The rates published in the master fee schedule are used to determine the cost of staff in the different DCA classifications.

FISCAL ANALYSIS

There is no fiscal impact associated with the production of this supplemental report.

PUBLIC OUTREACH AND INTEREST

No public outreach was required other than the notice of a public hearing.

COORDINATION

This report was prepared in coordination with the Finance Department Budget Bureau, the City Administrator's Office, The City Attorney's Office, and other City departments.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic impacts associated with the production of this

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

Race & Equity: Generally, the update to the MFS is a reflection of increased costs to reflect cost recovery. This approach has been a long-standing practice of the City that has not been examined through the racial equity practice framework adopted by the City in more recent years. Doing so would be a significant undertaking that would look at the impact and fairness of the City's fiscal reliance on fees as well as fines, in addition to the equity impact of how they are specifically structured and set. This would require budget for consulting support to supplement Finance Department capacity, and timing that would allow completion of the study and recommendations well in advance of budget deliberations. This activity was not planned or funded for this cycle and under current fiscal constraints is likely not be feasible in the next bi-annual budget. It is recommended, however, that this be bookmarked as a need to be addressed as soon as it is possible, to build out the City's commitment to an equity centered budget.

ACTION REQUESTED OF THE CITY COUNCIL

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For questions regarding this report, please contact Finance Department Revenue Management Bureau, Chuck Maurer, Principal Revenue Analyst at cmaurer@Oaklandca.gov (510) 238-7570.

Respectfully submitted,



Erin Roseman
Director of Finance, Finance Department