

CITY OF OAKLAND

AGENDA REPORT

2011 MAY 26 PM 7:15

TO: Office of the City Administrator
ATTN: P. Lamont Ewell
FROM: Budget Office
DATE: June 7, 2011

RE: Ordinance Authorizing A Fiscal Year 2011-12 Increase To A Special Tax Imposed For Paramedic Emergency Services, In Accordance With The Consumer Price Index, And Pursuant To The Paramedic Services Act Of 1997 (Measure N)

SUMMARY

Attached for City Council consideration is an ordinance authorizing a FY 2011-12 adjustment, consistent with the Consumer Price Index (CPI), to the special parcel tax for paramedic emergency services in accordance with the Paramedic Services Act of 1997.

In June 1997, the electorate of Oakland passed, by more than a two-thirds majority, the Paramedic Services Act of 1997 (Measure N). The measure imposed 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 2000-01) and continuing each fiscal year thereafter. A 1.4 percent increase to Measure N special parcel tax rates is proposed for FY 2011-12, in line with the CPI increase for the San Francisco Bay Area during 2010.

A public hearing on the proposed ordinance to increase the Measure N special parcel tax is scheduled for June 7, 2011 at 6:30 p.m.

FISCAL IMPACT

The FY 2011-12 estimated revenue from Measure N (Fund 2250) is \$1.4 million, including the proposed rate increases. The proposed annual rate increase of 1.4 percent translates to approximately \$19,074.17 of the total FY 2011-12 estimated revenue.

BACKGROUND

Beginning FY 2000-01 and continuing each fiscal year thereafter, the Measure N 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>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>

KEY ISSUES AND IMPACTS

The proposed ordinance applies an adjustment of 1.4 percent to the current Measure N special parcel tax amount, effective July 1, 2011. This increase is per the actual change in the San Francisco Bay Area CPI during 2010. The proposed increase applies on a fiscal year basis (i.e., July 1st – June 30th).

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

Parcel Type	Current Parcel Rate	Proposed Increase	FY 2011-12 Parcel Rate
Single Family Residential Parcels	\$9.67	\$0.13	\$9.80
Multiple Residential (2 to 4 units)	\$19.34	\$0.27	\$19.61
Multiple Residential (5 or more units)	\$48.35	\$0.66	\$49.01
Commercial	\$19.34	\$0.27	\$19.61
Industrial	\$38.68	\$0.53	\$39.21
Rural	\$9.67	\$0.13	\$9.80

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Institutional	\$9.67	\$0.13	\$9.80
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SUSTAINABLE OPPORTUNITIES

There are no direct economic, environmental, or social equity opportunities or impacts associated with the City Council action requested in this report.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no direct impact to people with disabilities or to seniors associated with the City Council action requested in this report.

RECOMMENDATION(S) AND RATIONALE

Staff recommends that the City Council adopt the proposed ordinance.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt the proposed ordinance authorizing a 1.4 percent increase, consistent with the CPI, in the tax imposed pursuant to the Paramedic Services Act of 1997.

Respectfully submitted,



SABRINA LANDRETH
Budget Director

Prepared by:
Janelle Montu
City Administrator's Budget Office

APPROVED AND FORWARDED TO THE
CITY COUNCIL



Office of the City Administrator

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ORDINANCE AUTHORIZING A FISCAL YEAR 2011-12 INCREASE TO A SPECIAL TAX IMPOSED FOR PARAMEDIC EMERGENCY SERVICES, IN ACCORDANCE WITH THE CONSUMER PRICE INDEX, AND PURSUANT TO THE PARAMEDIC SERVICES ACT OF 1997 (MEASURE N)

NOTICE AND DIGEST

This Ordinance authorizes an increase to a special tax imposed by the Paramedic Services Act of 1997 (Measure N), which was submitted to the voters by Resolution No. 73312 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 1.4 percent for FY 2011-12. Effective July 1, 2011, the Single Family Residential rate would increase from \$9.67 to \$9.80, the Multiple Unit Residential rate (2 to 4 units) would increase from \$19.34 to \$19.61, the Multiple Unit Residential rate (5 or more units) would increase from \$48.35 to \$49.01, the Commercial rate would increase from \$19.34 to \$19.61, the Industrial rate would increase from \$38.68 to \$39.21, the Rural rate would increase from \$9.67 to \$9.80, and the Institutional rate would increase from \$9.67 to \$9.80.

OFFICE OF THE CITY CLERK
CITY OF OAKLAND

JULY 26 PM 7:15

Approved as to Form and Legality

M. Morgan
Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Ordinance No. _____ C.M.S.

ORDINANCE AUTHORIZING A FISCAL YEAR 2011-12 INCREASE TO A SPECIAL TAX IMPOSED FOR PARAMEDIC EMERGENCY SERVICES, IN ACCORDANCE WITH THE CONSUMER PRICE INDEX, AND PURSUANT TO THE PARAMEDIC SERVICES ACT OF 1997 (MEASURE N)

WHEREAS, in 1997 the voters of Oakland approved Measure N, a special tax to fund paramedic emergency services; and

WHEREAS, Measure N 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 N 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 by the Consumer Price Index (CPI) for all items, has increased since the 1997 index year; and

WHEREAS, Measure N 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 N special parcel tax was held on June 7, 2011 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 224.40 for calendar year 2009 and 227.47 for calendar year 2010.

2. The cost-of-living in the immediate San Francisco Bay Area as shown by the Consumer Price Index, has increased 1.4 percent between calendar year 2009 and calendar year 2010.

3. The Measure N special tax rate upward adjustment shall be 1.4 percent, effective July 1, 2011.

4. The following rate structure will be imposed on parcels within the City of Oakland effective July 1, 2011 for FY 2011-12:

PROPOSED MEASURE N TAX INCREASES BY PARCEL TYPE			
Parcel Type	Current Parcel Rate	Proposed Increase	FY 2011-12 Parcel Rate
Single Family Residential Parcels	\$9.67	\$0.13	\$9.80
Multiple Residential (2 to 4 units)	\$19.34	\$0.27	\$19.61
Multiple Residential (5 or more units)	\$48.35	\$0.66	\$49.01
Commercial	\$19.34	\$0.27	\$19.61
Industrial	\$38.68	\$0.53	\$39.21
Rural	\$9.67	\$0.13	\$9.80
Institutional	\$9.67	\$0.13	\$9.80

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