



2006 JUN 20 PM 7:14

CITY HALL • 1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

Office of the City Administrator  
Deborah A. Edgerly  
City Administrator

(510) 238-3301  
FAX (510) 238-2223  
TDD (510) 238-2007

July 11, 2006

Oakland City Council  
Oakland, California

Chairperson Brunner and Members of the Community & Economic Development  
Committee:

**RE: Action on a Status Report on Preparing for Implementation of the Excess  
Litter Fee**

---

After the City Council adopted the "Excess Litter Fee" ordinance (Ordinance No. 12727 C.M.S., February 21, 2006), the City Administrator directed the Deputy City Administrator to work with the Finance and Management Agency, the City Attorney's Office and the Public Works Agency to plan and prepare for the implementation of the new litter removal procedures / processes and collection of the Excess Litter Fee.

On June 20, 2006, as part of its FY 2005 – 2007 Mid-cycle Budget process, the City Council adopted amendments to the Master Fee Schedule (via Ordinance No.12744 C.M.S.), effective July 1, 2006, to add a series of fees associated with the removal of excess litter in the areas around fast food businesses, liquor stores, convenience markets, gasoline station markets, and/or specially designated businesses (Attachment A).

The initial declaration notices are scheduled to be mailed to approximately 1,400 businesses in mid to late July. Fee invoices will be mailed in early- to mid-September and fee payments shall be due by the end of September.

**Preparatory steps included:**

- Developed draft list of eligible businesses subject to the Excess Litter Fee
- Circulated draft list to Council member staffs for review and edits
- Developed administrative procedures and guidelines
- Developed appeal process
- Drafted declaration form and appeal form

Item: \_\_\_\_\_  
CED Comte.  
July 11, 2006

- Drafted information brochure (Attachment B)
- Established dedicated telephone line(s)

**Immediate next steps include:**

- Order mailing and return envelopes (June 30<sup>th</sup>)
- Set up data base for administration of the Excess Litter Fee (July 18<sup>th</sup>)
- Draft program information for City website (July 24<sup>th</sup>)
- Mail fee invoices (September 15<sup>th</sup>)

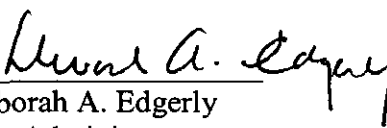
In order to complete the program's implementation and begin removing excess litter from Oakland's streets, sidewalks, and other public spaces, the Office of the City Administrator requests the City Council's preference(s) for:

- 1) Staffing the excess litter program
- 2) Identifying locations in which to focus clean-up efforts.

Please refer to Attachment C for the three options for staffing the excess litter removal program, including an implementation timeline for each; and Attachment D for possible clean-up locations in each of the City's Council Districts.

Staff is eager to implement this new program and work toward improving the cleanliness and aesthetic appearance of our City.

Respectfully submitted,

  
Deborah A. Edgerly  
City Administrator

Prepared by: N. De Luca  
Deputy City Administrator

Attachments: A: Master Fee Schedule, pg. 47  
B: Staffing Options and Timelines  
C: Possible Litter Clean-up Locations

Item: \_\_\_\_\_  
CED Comte.  
July 11, 2006



**City of Oakland**  
**Master Fee Schedule**  
 Effective: July 1, 2006

**REVISED**

**FINANCE &  
 MANAGEMENT**

FEE DESCRIPTION	OLD FEE / UNIT	NEW FEE / UNIT	% CHANGE
<b><u>FINANCIAL MANAGEMENT</u></b>			
<b>X. EXCESS LITTER FEE</b>			
<u>1 Small Business</u>	New	<u>230.00 Per Year</u> (or pro-rata)	
<u>2 Medium Business</u>	New	<u>910.00 Per Year</u> (or pro-rata)	
<u>3 Large Business</u>	New	<u>3,815.00 Per Year</u> (or pro-rata)	
<u>4 Failure to File an Annual Declaration</u>	New	<u>50.00 Per Year</u>	
<u>5 Penalty for Failure to Pay Excess Litter Fee Invoice within 60 Days from Due Date</u>	New	<u>10% of Invoice</u>	
<u>6 Penalty for Failure to Pay Excess Litter Fee Invoice beyond 90 Days from Due Date</u>	New	<u>25% of Invoice</u>	
<u>7 Penalty for Failure to Pay Excess Litter Fee Invoice beyond 120 Days from Due Date</u>	New	<u>50% of Invoice</u>	
<u>8 Interest, Inclusive of Penalties, for Delinquent Excess Litter Fees Due</u>	New	<u>1% Per Month</u>	
<u>9 Filing fee for an appeal for Litter Ordinance</u>	New	<u>67.50 Appeal</u>	
<b><u>PARKING MANAGEMENT</u></b>			
<b>A. ON-STREET PARKING METER</b>			
<u>1 In the Central Business District (From N. Side of Grand Avenue to S. Side of Embarcadero and E. Side of Oak Street to W. Side of Martin Luther King, Jr.)</u>	1.25 Space/Hour	<u>1.25 Space/Hour</u>	0.00%
<u>2 All Areas of Oakland Except Central Business District (As Defined Above)</u>	1.00 Space/Hour	<u>1.25 Space/Hour</u>	25.00%

ELIGIBLE BUSINESSES DEFINED

**CONVENIENCE MARKET** means a business engaged in the retail sale of food, beverages and convenience items, primarily for immediate consumption and typically found in areas with long or late hours of operation but excluding other specialty food shops and businesses that are engaged in Large-Scale Retail and Grocery sales Commercial Activity as defined by Oakland Municipal code Section 17.10.040. This includes businesses that have a sizeable menu of fruits and vegetables and fresh-cut meats.

**FAST FOOD BUSINESS:** means a business engaged in the retail sale of ready-to-eat prepared foods and beverages, for on- or off-premise consumption, whenever the foods and beverages require a short waiting time and are primarily packaged in disposable wrappers, containers, or other packaging. Businesses may also exhibit other characteristics, including: (a) a limited menu typically ordered and served at a counter; (b) payment is paid for prior to consumption; (c) the activity/use is occurring in a public place and space and space for customer queuing for certain activities accessory to the business. Section 17.10.040. In those areas designated as the vehicular food vending pilot program, a business engaged in "vehicular food vending" as defined by Section 17.10.290, is not considered a Convenience Business.

**GASOLINE MARKET** means any business engaged in the retail sale of food, beverages and convenience items along with the sale of gasoline but excludes any business engaged in Large-Scale Combined Retail and Grocery Sales Commercial Activity as defined in Oakland Municipal Code Section 17.10.040 and excludes wholesale clubs or other establishments selling primary bulk merchandise to members, membership dues or otherwise restricting merchandise sales to customers paying a periodic access fee.

**LIQUOR STORE:** means any business engaged in Beverage Sales Commercial Activity as defined in Oakland Municipal Code Section 17.10.300. This includes a business engaged in Large-Scale Combined Retail and Grocery Sales Commercial Activity as defined in Oakland Municipal Code Section 17.10.040. This includes wholesale clubs or other establishments selling primary bulk merchandise and charging a membership fee or otherwise restricting merchandise sales to customers paying a periodic access fee.



City of Oakland  
Business Tax Section-EXCESS LITTER  
250 Frank H. Ogawa Plaza, Suite 100  
Oakland, CA 94612

Phone: 510-238-3360  
Fax: 510-238-7128

City of Oakland



# Excess Litter Fee



City of Oakland

510-238-3360

# DRAFT

## City Of Oakland Excess Litter Fee

### LITTER FEE

The City of Oakland is enacting an Excess Litter Fee Ordinance for businesses, Concessionaires, and Public Markets and Public Spaces. The purpose of this ordinance is to ensure that public spaces are clean and sanitary.



The City will also be entering into a contract with a private contractor to manage the litter collection system.

### FILE AND PAY

Businesses must file an annual Excess Litter Fee on or before August 30. Businesses must submit gross receipts. Gross receipts are receipts from the sale of goods or services for automotive services, food and beverage businesses in Business Improvement Districts (BIDs) that currently pay a fee of only 50% of the fee. The declaration, the assessment invoice, and the Excess Litter Fee must be made within 15 days of the end of the business year. Food vendors are not required to file.

### HOW MUCH AM I REQUIRED TO PAY?

The excess litter fees are based on the gross receipts of your business classification:

- **Large Business**, with annual gross receipts of \$1,000,000 or more pay \$3,815.00 per year.
- **Medium business** with annual gross receipts between \$500,000 and \$999,999 pay \$910.00 per year.
- **Small Business**, with annual gross receipts between \$5,000 and \$499,999 pay \$230.00 per year.
- Annual gross receipts between \$0 and \$4,999 no fee.

Note: Gross receipts shall not include the receipts for the sale of alcohol, gasoline or automotive services or products.

### WHO IS ELIGIBLE FOR REDUCED FEES OR EXEMPTION?

Eligible businesses in Business Improvement Districts (i.e. Rockridge and Montclair) that are currently paying assessments to a business improvement district shall pay only 50% (fifty) percent of the fee.

The City Administrator or her designee may **further exempt** any eligible business from the Excess Litter Fee if they determine that (OMC 12727, SEC 5F):

1. Such eligible Business's respective business improvement district is not within 3 blocks of a Targeted Street or
2. If Eligible Businesses respective business improvement district is within 3 blocks of a Targeted Street, and the business improvement district has an effective program to clean up litter originating from the eligible businesses on the Targeted Street.

### HOW DO I FILE AN APPEAL?

An owner of a business/business property assessed with Excess Litter Fees may appeal such assessment directly to a hearing officer designated by the City Administrator. Such appeal must be submitted by the due date of the City's notice. The appeal filing fee is \$67.50. The administrative fee will be refunded to you if your appeal is granted.

The Appeal must state and may only proceed if based upon at least one of the following: 1) Eligible Business (definition), 2) classification (small, medium or large) and 3) further exemption.

Upon receipt of your appeal form, declaration, and administrative appeal fee, the hearing officer will schedule a hearing and send you a written notice of the date. The hearing officer may issue any orders or imposed conditions consistent with the purposes of the Litter Fee Ordinance. The determination of the hearing office shall be final.

### WHAT IF I PAY LATE OR FAIL TO COMPLY?

Failure to pay the fee owed as determined by the Finance and Management Agency within 15 days of the invoice date is a violation of the ordinance. Such violation will result in a 10% to 50% penalty and interest will accrue at one percent per month until liability is paid.

Failure to complete the declaration and return it to the City in a timely manner, will result in a \$50.00 fee assessment.

### City of Oakland

#### Business Tax Section-EXCESS LITTER FEE

Frank H. Ogawa Plaza, Suite 1320  
Oakland, CA 94612

Phone: 510-238-3360

Fax: 510-238-7128

Email: [Oaklandbusinessstax@oaklandnet.com](mailto:Oaklandbusinessstax@oaklandnet.com)

# Staffing Options and Timelines to Implement the Litter Fee Program

## Option 1 – Contract with Youth Employment Partnership (YEP), Inc.

June 27	City Council adopted resolution to increase current contract with YEP to carry out excess litter removal program
July 19	Submit Scope of Services to YEP for cost estimate
August 1	YEP to respond with estimate to City on Scope of Services
September 11	Start date for YEP

**NOTE:** This option / timeline is contingent on reaching an agreement with YEP on a Scope of Services. To date, no program discussions have occurred.

### *Pros*

- Would provide transportation, tools, and supplies.
- Would provide supervision
- Implementation would occur within a few months
- Have performed similar work for the City in the past and have done a good job at implementing
- Flexibility in work hours to address daylight savings time changes.
- Ability to hire youths from the neighborhoods where they would be assigned

### *Cons*

- City staff would be responsible for daily collection of bags, which requires ongoing coordination.
- Turn-over of youth as they go to college or get into the workforce.

## Option 2 – Hire Temporary Contract Service Employees (TCSE) until Recruitment Process for Public Works Utility Worker (PWUW) is Completed

- Use temporary contract service employees for approximately six months. This would allow time to recruit, and hire part-time employees. Process to hire TCSE would take approximately 30 days.

- Establishment of a new Part-Time classification and recruitment and hiring for PWUW could take a minimum of six months. This is a process that is difficult to predict due to the large number of variables.

***Pros***

- Provides for faster removal of collected materials as the staff performing the clean up would also remove the debris.
- Could be implemented within a few months
- TCSE would be trained and be potential candidates for part-time positions

***Cons***

- Current Supervisors would have to work overtime to supervise crews, which could reduce supervisors' overall efficiency.

**Option 3 – Request For Proposal (RFP) Process**

July 10, 2006	Submit RFP to Contract Compliance
August 2	Advertise RFP
August 14	Conduct pre-bid meeting
September 25	Bid submittals due
September 28	Review proposals
October 4	Make selection
November 14	Present Agenda report to Public Works Committee
November 21	To full Council
December 5	Award of contract
January 2, 2007	Notice to proceed

***Pros***

- Same as those noted under Option 1.

***Cons***

- Timeframe to implement would be four to six months

## **Possible Locations for Litter Clean Up**

In October 2005 staff conducted a field survey to determine the exact locations and number of blocks that were near fast food restaurants, junior high and high schools. Approximately 125 blocks were identified.

Staff used the following boundaries in each district to identify the locations:

1. Council District 1 - Alcatraz Avenue to MacArthur Boulevard and San Pablo Avenue to College Avenue as the borders
2. Council District 2 - MacArthur Boulevard to E. 12th Street and 14th Avenue to Fruitvale Avenue as borders
3. Council District 3 - MacArthur Boulevard to E. 7th Street and Adeline to Lakeshore/1st Avenues as borders
4. Council District 4 - Mountain Boulevard to Macarthur Boulevard and High Street to Fruitvale Avenue as its borders.
5. Council District 5 - 17th Avenue to 54th Avenue and E. 7th Street to Macarthur Boulevard as its boundaries.
6. Council District 6 - High Street to 73rd Avenue and MacArthur Boulevard to San Leandro Street as its borders.
7. Council District 7 - 106th Avenue to 82nd Avenue from Mountain Boulevard to Airport Drive as its boundaries.