

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2009 MAY 29 AM 12:58

CITY OF OAKLAND

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Budget Office
DATE: June 1, 2009

RE: **Ordinance Authorizing A Fiscal Year 2009-10 Increase To A Special Tax Imposed For Paramedic Emergency Services in Accordance With The Paramedic Services Act Of 1997 (Measure N) And Setting June 16, 2009 As The Date For A Public Hearing.**

SUMMARY

Attached for City Council consideration is an ordinance authorizing a FY 2009-10 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 and continuing each fiscal year thereafter. A 3.1 percent increase to Measure N special parcel tax rates is proposed for FY 2009-10, in line with the CPI increase for the San Francisco Bay Area during 2008.

A public hearing on the proposed ordinance to increase the Measure N special parcel tax is scheduled for June 16, 2009 at 7:00 p.m.

FISCAL IMPACT

The FY 2009-10 estimated revenue from Measure N (Fund 2250) is \$1.4 million, including the proposed rate increases. The proposed annual rate increase of 3.1 percent translates to approximately \$42,600 of the total FY 2009-10 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>Historical Measure N 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>

KEY ISSUES AND IMPACTS

The proposed ordinance applies an adjustment of 3.1 percent to the current Measure N special parcel tax amount, effective July 1, 2009. This increase is per the actual change in the San Francisco Bay Area CPI during 2008. 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:

Proposed Measure N Tax Increases by Parcel Type			
Parcel Type	Current Parcel Rate	Proposed Increase	FY 2009-10 Parcel Rate
Single Family Residential Parcels	\$9.32	\$0.28	\$9.60
Multiple Residential (2 to 4 units)	\$18.65	\$0.57	\$19.22
Multiple Residential (5 or more units)	\$46.62	\$1.44	\$48.06
Commercial	\$18.65	\$0.57	\$19.22
Industrial	\$37.30	\$1.15	\$38.45
Rural	\$9.32	\$0.28	\$9.60
Institutional	\$9.32	\$0.28	\$9.60

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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 approve the proposed ordinance.

ACTION REQUESTED OF THE CITY COUNCIL

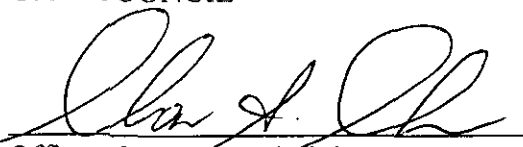
Staff recommends that the City Council adopt the proposed ordinance authorizing a 3.1 percent increase, consistent with CPI, in the tax imposed pursuant to the Paramedic Services Act of 1997.

Respectfully submitted,


CHERYL TAYLOR
Budget Director

Prepared by:
Kirby Smith, Financial Analyst
City Administrator's Budget Office

APPROVED AND FORWARDED TO THE
CITY COUNCIL

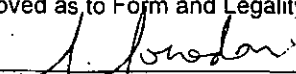

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Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Ordinance No. _____ C.M.S.

ORDINANCE AUTHORIZING A FISCAL YEAR 2009-10 INCREASE TO A SPECIAL TAX IMPOSED FOR PARAMEDIC EMERGENCY SERVICES IN ACCORDANCE WITH THE PARAMEDIC SERVICES ACT OF 1997 (MEASURE N) AND SETTING JUNE 16, 2009 AS THE DATE FOR A PUBLIC HEARING

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 16, 2009 at 7:00 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 216.0 for calendar year 2007 and that the Consumer Price Index for calendar year 2008 was 222.8.

2. The cost-of-living in the immediate San Francisco Bay Area as shown by the Consumer Price Index, has increased 3.1 percent between calendar year 2007 and calendar year 2008.

3. The Measure N special tax rate upward adjustment shall be 3.1 percent, effective July 1, 2009, pursuant to the Measure N requirement that the rate increase equal the annual CPI increase for the San Francisco Bay Area, and at no time may the increase exceed 5.0 percent of the tax rates imposed by the Ordinance during the immediately preceding fiscal year.

4. The following rate structure will be imposed on parcels within the City of Oakland effective July 1, 2009 for FY 2009-10:

PROPOSED MEASURE N TAX INCREASES BY PARCEL TYPE			
Parcel Type	Current Parcel Rate	Proposed Increase	FY 2009-10 Parcel Rate
Single Family Residential Parcels	\$9.32	\$0.28	\$9.60
Multiple Residential (2 to 4 units)	\$18.65	\$0.57	\$19.22
Multiple Residential (5 or more units)	\$46.62	\$1.44	\$48.06
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Rural	\$9.32	\$0.28	\$9.60
Institutional	\$9.32	\$0.28	\$9.60

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT -

ABSTENTION -

ATTEST:

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