



AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Donna Hom

SUBJECT: Paramedic Emergency Services Parcel Tax
Cost of Living Adjustment for FY 2013-14

DATE: April 30, 2013

City Administrator
Approval

Scott P. Johnson

Date

5/20/13

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council adopt the proposed ordinance authorizing a 2.7 percent increase for FY 2013-14, consistent with the Consumer Price Index (CPI), in the tax imposed pursuant to the Paramedic Services Act of 1997.

OUTCOME

Adjustment to the FY 2013-14 special parcel tax for the Paramedic Services Act of 1997, consistent with the Consumer Price Index.

BACKGROUND/LEGISLATIVE HISTORY

In June 1997, the electorate of Oakland passed, by more than a two-thirds majority, the Paramedic Services Act of 1997 (Measure N). Measure N 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 2.7 percent increase in the Measure N special parcel tax rates proposed for FY 2013-14, in line with the Consumer Price Index increase for the San Francisco Bay Area during calendar year 2012.

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>
July 11, 2000	4.2%	July 1, 2000
June 5, 2001	4.5%	July 1, 2001
June 11, 2002	5.0%	July 1, 2002
June 19, 2003	1.6%	July 1, 2003
June 10, 2004	1.8%	July 1, 2004
June 16, 2005	1.2%	July 1, 2005
June 8, 2006	2.0%	July 1, 2006
June 19, 2007	3.2%	July 1, 2007
June 17, 2008	3.3%	July 1, 2008
June 16, 2009	3.1%	July 1, 2009
June 1, 2010	0.7%	July 1, 2010
June 1, 2011	1.4%	July 1, 2011
June 19, 2012	2.6%	July 1, 2012

ANALYSIS

The proposed ordinance applies an increase of 2.7 percent to the current Measure N special parcel tax amount, effective July 1, 2013. This increase is per the actual change in the San Francisco Bay Area CPI during calendar year 2012. The proposed increase applies on a fiscal year basis (i.e., July 1st – June 30th).

Note: The Consumer Price Index – All Urban Consumers is based on the San Francisco-Oakland-San Jose, CA index

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 2013-14 Parcel Rate
Single Family Residential Parcels	\$10.06	\$0.27	\$10.33
Multiple Residential (2 to 4 units)	\$20.12	\$0.54	\$20.66
Multiple Residential (5 or more units)	\$50.29	\$1.36	\$51.65
Commercial	\$20.12	\$0.54	\$20.66
Industrial	\$40.23	\$1.09	\$41.32
Rural	\$10.06	\$0.27	\$10.33
Institutional	\$10.06	\$0.27	\$10.33

PUBLIC OUTREACH/INTEREST

A public hearing on the proposed ordinance to increase the Measure N special parcel tax is scheduled for June 4, 2013 at 6:30 p.m.

COORDINATION

The report was prepared in coordination with the 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 2013-14 estimated revenue from Measure N (Fund 2250) is \$1,488,571, including the proposed rate increase. The proposed annual rate increase of 2.7 percent translates to approximately \$39,135 of the total FY 2013-14 estimated revenue.

SUSTAINABLE OPPORTUNITIES

Economic: Revenues generated from the Measure N 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.

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For questions regarding this report, please contact Annie To at (510) 238-7494.

Respectfully submitted,



Donna Hom
Budget Director, Budget Office

Reviewed by:
Osborn Solitei, Controller

Prepared by:
Annie To, Administrative Services Manager II

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June 4, 2013

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2013 MAY 23 PM 1:49

Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Ordinance No. _____ C.M.S.

ORDINANCE AUTHORIZING A FISCAL YEAR 2013-14 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 4, 2013 at 6:30 p.m. in City Hall, One Frank H. Ogawa Plaza, Oakland, California; now, therefore,

WHEREAS, the Consumer Price Index for all items in the San Francisco Bay Area was 233.39 for calendar year 2011 and 239.65 for calendar year 2012.

WHEREAS, The cost-of-living in the immediate San Francisco Bay Area as shown by the Consumer Price Index, has increased 2.7 percent from calendar year 2011 and calendar year 2012.

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

1. The Measure N special tax rate upward adjustment shall be 2.7 percent, effective July 1, 2013.
2. The following rate structure will be imposed on parcels within the City of Oakland effective July 1, 2013 for FY 2013-14:

PROPOSED MEASURE N TAX INCREASES BY PARCEL TYPE			
Parcel Type	Current Parcel Rate	Proposed Increase	FY 2013-14 Parcel Rate
Single Family Residential Parcels	\$10.06	\$0.27	\$10.33
Multiple Residential (2 to 4 units)	\$20.12	\$0.54	\$20.66
Multiple Residential (5 or more units)	\$50.29	\$1.36	\$51.65
Commercial	\$20.12	\$0.54	\$20.66
Industrial	\$40.23	\$1.09	\$41.32
Rural	\$10.06	\$0.27	\$10.33
Institutional	\$10.06	\$0.27	\$10.33

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF, and
PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST:

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

ORDINANCE AUTHORIZING A FISCAL YEAR 2013-14 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 2.7 percent for FY 2013-14. Effective July 1, 2013, the Single Family Residential rate would increase from \$10.06 to \$10.33, the Multiple Unit Residential rate (2 to 4 units) would increase from \$20.12 to \$20.66, the Multiple Unit Residential rate (5 or more units) would increase from \$50.29 to \$51.65, the Commercial rate would increase from \$20.12 to \$20.66, the Industrial rate would increase from \$40.23 to \$41.32, the Rural rate would increase from \$10.06 to \$10.33, and the Institutional rate would increase from \$10.06 to \$10.33.

NOTICE OF PUBLIC HEARING

REGARDING AN ORDINANCE TO INCREASE THE SPECIAL TAX FOR PARAMEDIC EMERGENCY SERVICES, IN ACCORDANCE WITH THE CONSUMER PRICE INDEX AND PURSUANT TO THE PARAMEDIC SERVICES ACT OF 1997

On Tuesday, June 4, 2013, the City Council of Oakland, California will consider an ordinance authorizing an increase to the special parcel tax imposed for paramedic services in accordance with the Paramedic Services Act of 1997 (Measure N). The ordinance proposes an increase, effective July 1, 2013, of 2.7% consistent with the Consumer Price Index for the San Francisco Bay Area. The Public Hearing is set for Tuesday, June 4, 2013 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.