

# CITY OF OAKLAND

## AGENDA REPORT

OFFICE OF THE CITY CLERK  
2006 MAY 30 PM 3: 24

**To:** Office of the City Administrator  
**Attn:** Deborah Edgerly  
**From:** Budget Office  
**Date:** June 8, 2006

**Subject: Report Transmitting an Ordinance Authorizing a Fiscal Year 2006-07 Increase to a Special Tax Imposed for Paramedic Emergency Services in Accordance with the Paramedic Services Act of 1997 (Measure N)**

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### SUMMARY

Attached for City Council consideration is an ordinance authorizing a FY 2006-07 adjustment, consistent with the Consumer Price Index (CPI), to the special parcel tax for paramedic emergency services in accordance with Measure N, approved by voters in 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 2.0 percent increase to Measure N special parcel tax rates is proposed for FY 2006-07, in line with the CPI increase for the San Francisco Bay Area during 2005.

A public hearing on the proposed ordinance to increase the Measure N special parcel tax is scheduled for June 8, 2006 at 5:00 p.m.

### FISCAL IMPACT

The FY 2006-07 estimated revenue from Measure N (fund 2250) is \$1.25 million, including the proposed rate increases. The proposed annual rate increase of 2.0 percent translates to approximately \$24,575 of the total FY 2006-07 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:

| Historical Measure N Rate Increases |                  |                |
|-------------------------------------|------------------|----------------|
| Council Action Date                 | Percent Increase | Effective Date |
| 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   |

**KEY ISSUES AND IMPACTS**

The proposed ordinance applies an adjustment of 2.0 percent to the current Measure N special parcel tax amount, effective July 1, 2006. This adjustment reflects the actual change in the San Francisco Bay Area CPI during 2005. The proposed increase applies on a fiscal year basis (i.e., July 1<sup>st</sup> – June 30<sup>th</sup>).

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 2006-07 Parcel Rate |
| Single Family Residential Parcels               | \$8.58              | \$0.17            | \$8.75                 |
| Multiple Residential (2 to 4 units)             | \$17.16             | \$0.34            | \$17.50                |
| Multiple Residential (5 or more units)          | \$42.91             | \$0.86            | \$43.77                |
| Commercial                                      | \$17.16             | \$0.34            | \$17.50                |
| Industrial                                      | \$34.33             | \$0.69            | \$35.02                |
| Rural   | \$8.58              | \$0.17            | \$8.75                 |
| Institutional                                   | \$8.58              | \$0.17            | \$8.75                 |

**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 ACCESS**

There are no direct disability and senior access impacts associated with the City Council action requested in this report.

**RECOMMENDATION**

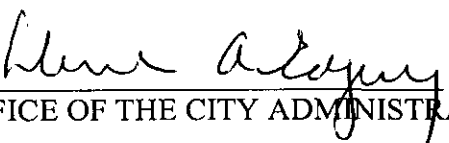
Staff recommends that the City Council adopt the proposed ordinance authorizing a 2.0 percent increase, consistent with CPI, in the tax imposed pursuant to the Paramedic Services Act of 1997.

Respectfully submitted,

  
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William Zenoni  
Interim Budget Director

*Prepared by:*  
Michael Kilian  
Chief Deputy City Auditor  
City Administrator's Budget Office

APPROVED FOR FORWARDING TO THE  
CITY COUNCIL

  
\_\_\_\_\_  
OFFICE OF THE CITY ADMINISTRATOR

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OFFICE OF THE CITY CLERK  
OAKLAND

APPROVED AS TO FORM AND LEGALITY

  
CITY ATTORNEY

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## OAKLAND CITY COUNCIL

ORDINANCE NO. \_\_\_\_\_ C.M.S.

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**ORDINANCE AUTHORIZING A FISCAL YEAR 2006-07  
INCREASE TO A SPECIAL TAX IMPOSED FOR  
PARAMEDIC EMERGENCY SERVICES IN ACCORDANCE  
WITH 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, the third year of imposition, and each subsequent 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 8, 2006 at 5:00 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 198.8 for calendar year 2004 and that the Consumer Price Index for calendar year 2005 was 202.7.

2. The cost-of-living in the immediate San Francisco Bay Area as shown by the Consumer Price Index, has increased 2.0 percent between calendar year 2004 and calendar year 2005.
3. The Measure N special tax rate upward adjustment shall be 2.0 percent, effective July 1, 2006, 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, 2006 for FY 2006-07:

| <b>Measure N Tax Rate Increase</b>     |                            |                          |                               |
|--|----------------------------|--------------------------|-------------------------------|
| <b>Parcel Type</b>                     | <b>Current Parcel Rate</b> | <b>Proposed Increase</b> | <b>FY 2006-07 Parcel Rate</b> |
| Single Family Residence                | \$8.58                     | \$0.17                   | \$8.75                        |
| Multiple Residential (2 to 4 units)    | \$17.16                    | \$0.34                   | \$17.50                       |
| Multiple Residential (5 or more units) | \$42.91                    | \$0.86                   | \$43.77                       |
| Commercial                             | \$17.16                    | \$0.34                   | \$17.50                       |
| Industrial                             | \$34.33                    | \$0.69                   | \$35.02                       |
| Rural                                  | \$8.58                     | \$0.17                   | \$8.75                        |

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

**AYES---** BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID and PRESIDENT DE LA FUENTE

**NOES---**

**ABSENT---**

**ABSTENTION---**

ATTEST: \_\_\_\_\_  
**LATONDA SIMMONS**  
 City Clerk and Clerk of the Council  
 of the City of Oakland, California

**ORDINANCE AUTHORIZING AN INCREASE TO A SPECIAL TAX IMPOSED  
FOR PARAMEDIC EMERGENCY SERVICES IN ACCORDANCE WITH  
MEASURE N APPROVED BY VOTERS IN 1997**

**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 November 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 2.0 percent for FY 2006-07. Effective July 1, 2006, the Single Family Residential rate would increase from \$8.58 to \$8.75, the Multiple Unit Residential rate (2 to 4 units) would increase from \$17.16 to \$17.50, the Multiple Unit Residential rate (5 or more units) would increase from \$42.91 to \$43.77, the Commercial rate would increase from \$17.16 to \$17.50, the Industrial rate would increase from \$34.33 to \$35.02, the Rural rate would increase from \$8.58 to \$8.75, and the Institutional rate would increase from \$8.58 to \$8.75.