



# AGENDA REPORT


**TO:** Jestin D. Johnson  
City Administrator

**FROM:** Erin Roseman  
Finance Director

**SUBJECT:** Amending the Professional Services Agreement With Francisco & Associates, Inc

**DATE:** January 27, 2025

City Administrator Approval

  
Jestin Johnson (Feb 28, 2025 09:27 PST)

Date: Feb 28, 2025

## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt A Resolution Authorizing An Amendment To The Professional Services Agreement With Francisco & Associates, Inc. For Engineering Services For Various Local Measures And The City Of Oakland Landscaping And Lighting Assessment District To Increase The Compensation By An Amount Up To \$80,000 For A Total Contract Amount Not To Exceed \$630,000; And Waiving The Competitive Request For Proposals/Qualifications Requirements And The Local/Small Local Business Enterprise Requirements**

## **EXECUTIVE SUMMARY**

The California Landscaping and Lighting Act of 1972 ([California Streets and Highways Code Sections 22500, et seq](#)) allows local government agencies to form assessment districts to finance the costs and expenses of landscaping and lighting in public areas. The City Council annually approves a series of resolutions: 1) initiating the process to levy the annual Landscaping And Lighting Assessment District (LLAD) assessments by ordering the preparation of the Preliminary Engineer's Report, 2) approving the Preliminary Engineer's Report, declaring the intention to levy the annual assessments, and setting the date of the public hearing to take final action on the levying of the annual assessments; and 3) confirming the assessments after the public hearing.

The City of Oakland must annually set the property tax levy rates and inform the County of Alameda of these rates by August 10th for inclusion on that year's property tax bill for the Emergency Medical Services Retention Act of 1997 (Measure M), the Paramedic Services Act Of 1997 (Measure N), The Library Services Retention And Enhancement Act (Library Measure Q as amended by Measure C), the Children's Initiative Of 2018 (Measure AA), the 2018 Oakland Public Library Preservation Act (Measure D), the 2020 Oakland Parks And Recreation Preservation, Litter Reduction, Homelessness Support Act (Parks Measure Q), the Wildfire Prevention Financing Act of 2024 (Measure MM), and the Oakland Community Violence Reduction and Emergency Response Act of 2024 (Measure NN), all of which create separate taxes on parcels within the City of Oakland.

Finance and Management Committee  
March 11, 2025

In October 2017, staff released a Request for Proposal (RFP) seeking assistance from an engineering firm to provide various engineering services in connection with assessments and special districting. The services of a professional engineer are required to delineate the parcels subject to the above-described districts and parcel taxes, to determine the land uses and assessment rates for each parcel, to annually develop the Assessment Roll for the County Assessor, and to assist with any informational requests required by the City relating to the districts and parcel taxes. The scope of services for the engineering firm includes, but is not limited to, serve as the City of Oakland Assessment/District Engineer and Special Tax Engineer; prepare and submit the mandated Preliminary and Final Engineer's Report to the Oakland City Council for approval; prepare and file the Engineer's Report, Resolution, and Assessment Database to the Alameda County Auditor-Controller's Office before the annual deadline; calculate the CPI increase for each taxing district and update the revenue projections for City staff; and prepare and submit the Resolutions and Special Tax Databases with the Alameda County Auditor-Controller's Office on the ensuing year's property tax roll corresponding to the City's Local Measures and the LLAD.

Francisco & Associates, Inc. applied through that RFP/Q process and was selected in compliance with the RFP/Q selection guidelines. On December 20, 2017, and pursuant to authority granted to the City Administrator by OMC § 2.04.020A.2, the City and Francisco & Associates, Inc. executed an agreement with a term of January 1, 2018, to December 31, 2021, in which Francisco & Associates, Inc. agreed to provide the Professional Services and the City agreed to pay Francisco & Associates in an amount not-to-exceed two hundred forty-six thousand dollars (\$246,000).

On November 19, 2019, the City Council adopted Resolution [87927 C.M.S.](#), which authorized an amendment to the December 20, 2017, agreement with Francisco & Associates, Inc. to increase the not-to-exceed amount to five hundred fifty thousand dollars (\$550,000) and to extend the agreement term to December 31, 2023, and authorized an amendment to extend the agreement term to December 31, 2025.

On March 14, 2024, pursuant to Resolution No. 87927 C.M.S., the City entered into a second amendment to the Agreement to extend the term through December 31, 2025. The not-to-exceed amount of five hundred fifty thousand dollars (\$550,000) as stipulated on the First Amendment was not adjusted. Department of Finance Staff has now determined that an additional amount of eighty thousand dollars (\$80,000) is required to cover the cost of the contract through December 31, 2025.

## **BACKGROUND / LEGISLATIVE HISTORY**

Pursuant to the California Streets and Highways code, Sections 22500, et seq, known as the Landscaping and Lighting Act of 1972 (the "Act"), the City took a series of actions preliminary to ordering the establishment of the LLAD and did establish such District on June 23, 1989. Pursuant to Sections 22500 et seq, and following the Act, the City has renewed the District each subsequent year. A District Engineer has filed an Engineer's Report for the District confirming the applicability of the existing assessment rates for each Fiscal Year.

In June 1997, Oakland voters approved the Emergency Medical Services Retention Act (Measure M), which imposes a parcel tax for the purpose of raising the revenue necessary to

retain and enhance emergency dispatch and medical services in the City of Oakland. The Measure M legislation authorizes the City Council to increase the tax rates by a cost-of-living factor beginning in FY 1998-99 and continuing each fiscal year thereafter.

In June 1997, Oakland voters passed the 1997 Paramedic Services Act (Measure N), which imposes a special parcel tax for the purpose of raising the 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.

In November 2018 Oakland voters passed Measure AA (The Children's Initiative of 2018), which imposed a thirty-year annual special parcel tax and provides that the City Council may adjust the tax rates annually by an amount not to exceed the increase in either 1) the cost of living in the immediate San Francisco Bay Area, as determined by the U.S. Department of Labor, or 2) the change in the California per Capita Personal Income as determined by the California Department of Finance.

In June 2018, Oakland voters passed the 2018 Oakland Public Library Preservation Act (Measure D), which imposes a special parcel tax for the purpose of raising the revenue necessary to maintain, protect, and improve direct library services throughout the City of Oakland. The Measure D legislation authorizes the City Council to increase the tax rates by a cost-of-living factor beginning in FY 2019-20 and continuing each fiscal year thereafter.

In March 2020, Oakland voters passed the 2020 Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act (Measure Q). Measure Q imposes a special parcel tax, starting in Fiscal Year 2020- 21 and for the subsequent twenty years, for the purpose of raising the revenue necessary to fund a variety of programs and services for parks, landscape maintenance, recreational services, services to address homelessness, services and projects to address water quality and litter reduction, and maintenance and cleaning of stormwater trash collection systems throughout the City of Oakland. Tax rates may be increased each subsequent year thereafter based on the greater of the CPI for the immediate San Francisco Bay Area or the change in the California per Capita Personal Income as determined by the California Department of Finance.

In 2022 the voters of Oakland approved Measure C, which renewed the Library Services Retention and Enhancement Act, through June 30, 2052, imposing a special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by the ordinance, and allowing the City Council, beginning in Fiscal Year 2023-2024, to increase the tax annually by the greater of the increases in 1) the percentage change in the cost of living in the immediate San Francisco Bay Area, as shown on the CPI for all items, using 2022 as the index year, or 2) the percentage change in California per Capita Personal Income as determined by the California Department of Finance using Fiscal Year 2022-23 as the index year, but in no event may the annual tax rate adjustments increase by more than five percent of the rates imposed in the immediately preceding fiscal year.

In November 2024, Oakland voters passed Measure MM for 20 years on parcels within the "wildfire prevention zone," as defined in the ordinance, for the purposes of reducing wildfire risk by funding vegetation management, evacuation route protection, and other wildfire prevention measures in Oakland's high-risk fire areas. Tax rates may be increased each subsequent year thereafter based on the percentage change in the cost of living in the immediate San Francisco

Bay Area, as determined by the twelve-month (12) Annual Percentage Change in the Consumer Price Index (CPI) for all items in the San Francisco Bay Area as published by the U.S. Department of Labor Statistics; or The percentage change in California per capita personal income, as determined by the California State Department of Finance and shown in the Price Factor and Population Information Report issued annually.

In November 2024, Oakland voters passed Measure NN to maintain and increase a parcel tax and a parking tax surcharge for a period of nine years to fund police and fire services related to reducing homicides, robberies, car-jackings and break-ins, domestic violence, and gun-related violence; improve emergency 911 response times and quality of response; reduce the incidence of human trafficking, including the sexual exploitation of minors. Measure NN provides that the tax may be increased each year up to the percentage change in the cost of living in the immediate San Francisco Bay Area, as determined by the twelve-month Annual Percentage Change in the CPI for all items in the San Francisco Bay Area as published by the U.S. Department of Labor Statistics.

### **ANALYSIS AND POLICY ALTERNATIVES**

The recommended policy action addresses the Citywide priorities of **1) holistic community safety, and 2) housing, economic, and cultural security**. The request to increase the contract between the City and Francisco & Associates, Inc. will ensure the capacity to levy parcels appropriately in the FY 2025-26 Tax Rolls and ensure policies are in place to prevent the postponement of filing the assessment database by the appropriate deadline set by the Alameda County Auditor-Controller's Office. The levy of these taxes helps support programs such as retaining and enhancing emergency dispatch and medical services, paramedic emergency services, children services, library services, police and fire services, recreational services, services to address homelessness, water quality and litter reduction, parks and landscape maintenance and reduce wildfire risk.

In 2017, the City of Oakland conducted an RFP/Q in which Francisco & Associates, Inc. was determined to be the lowest and most responsible bidder. On December 20, 2017, the City entered into a professional services agreement with Francisco & Associates, Inc. to perform specialized engineering services to include the updating, adjusting, and recording of annual parcel tax assessments for the City's Landscape and Lighting Assessment District as well as other benefit assessments and measures approved by voters.

The City Administrator has determined that it is in the best interest of the City to waive the RFP/Q process for this third amendment of the contract because of the specialized services, consultation, and engineering reports provided by Francisco & Associates, Inc. Such a waiver will prevent a delay in filing critical assessment data to the Alameda County Auditor-Controller's office.

## **FISCAL IMPACT**

Approval of the proposed resolution amends a contract with Francisco and Associates, Inc. to increase the contract by eighty thousand dollars (\$80,000), increasing the not to exceed amount from five hundred fifty thousand dollars (\$550,000) to six hundred thirty thousand dollars (\$630,000). The revenue generated from the work related to the execution of this contract is instrumental and necessary in order to fund essential City services as outlined in the sections above.

Increased funding for the first six months of the contract (\$40,000) is budgeted and available in the FY 2024-25 Adopted Budget among multiple funds, including the Emergency Medical Services Retention Act of 1997 (Measure M), the Paramedic Services Act Of 1997 (Measure N), the Children's Initiative Of 2018 (Measure AA), the 2018 Oakland Public Library Preservation Act (Measure D), the 2020 Oakland Parks And Recreation Preservation, Litter Reduction, Homelessness Support Act (Parks Measure Q), and the Landscaping And Lighting Assessment District (LLAD) in the Budget Unit Organization (08811) and City-Wide Activities Organization (90591), Architectural and Engineering Services Account (54411), and Contract Service Expenditures Budget Carry Forward Account (54999). A detailed breakdown of the available funding is provided on **Attachment A**.

Funding for the final six months of the contract (\$40,000) will be requested as part of the Department of Finance's budget proposal for the FY 2025-27 Biennial Budget, and these requests will depend on the availability of funds and require Council authorization and appropriation into the budgets of the respective special assessment funds, in the Budget Unit Organization (08811) and City-Wide Activities Organization (90591), Architectural and Engineering Services Account (54411) and projects to be determined. The budget proposal for the FY 2025-27 Biennial Budget is anticipated to align with ongoing yearly budgeted amounts for these Professional Services which have averaged approximately one hundred thousand dollars (\$100,000) per year over the past five fiscal years. The fiscal impact per fund is approximately \$10,000 for the entire year.

## **PUBLIC OUTREACH / INTEREST**

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

## **COORDINATION**

The RFP/Q process and waiver consideration was conducted in coordination with the Contract Compliance Division to ensure compliance with the City's contracting requirements. This report has been reviewed by the Budget Bureau and City Attorney's Office.

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** Essential City services that serve the public greatly rely upon revenues generated from the voter-approved special tax measures.

**Environmental:** The timely assessment of the voter-approved special tax measures fund a variety of programs and services for parks, landscape maintenance, and projects to address water quality and litter reduction, and maintenance and cleaning of stormwater trash collection systems throughout the City of Oakland.

**Race & Equity:** There are no Race and Equity opportunities associated with this report.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt a Resolution Authorizing An Amendment To The Professional Services Agreement With Francisco & Associates, Inc. For Engineering Services For Various Local Measures And The City Of Oakland Landscaping And Lighting Assessment District To Increase The Compensation By An Amount Up To \$80,000 For A Total Contract Amount Not To Exceed \$630,000; And Waiving The Competitive Request For Proposals/Qualifications Requirements And The Local/Small Local Business Enterprise Requirements.

For questions regarding this report, please contact Sarah Herbelin, Acting Revenue and Tax Administrator, at (510) 238-4491.

Respectfully submitted,



Erin Roseman (Feb 27, 2025 14:30 PST)

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ERIN ROSEMAN  
Director, Finance Department

Reviewed by:  
Sarah Herbelin,  
Acting Revenue and Tax Administrator

Prepared by:  
Jose Segura,  
Budget and Management Analyst, Principal  
Revenue Management Bureau

Attachments (1):

A - FY2024-25 Available Funding Detail