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OFFICE OF THE CITY CLERK  
OAKLAND  
2012 APR 25 PM 4:30

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Sabrina Landreth

SUBJECT: FY 2012-13 Wildfire Prevention Assessment DATE: 04/04/12  
District (WPAD) - Intention

City Administrator Approval		Date	4/25/12
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COUNCIL DISTRICT: City-Wide

## RECOMMENDATION

A resolution has been prepared declaring the City Council's intent to levy and collect assessments from the Wildfire Prevention Assessment District (WPAD) for FY 2012-13, accept the Preliminary Annual Report for the WPAD, and set a public hearing date for Tuesday, June 5, 2012 at 6:30 p.m. The FY 2012-13 Preliminary Annual Report for the WPAD prepared by Francisco & Associates, Inc., the District Engineer, is included as *Attachment A*.

Staff recommends that the City Council approve the attached Resolution of Intention, accept the Fiscal Year 2012-13 Preliminary Annual Report for the City of Oakland Wildfire Prevention Assessment District, and set June 5, 2012 at 6:30 p.m. as the date for a Public Hearing.

## OUTCOME

The resolution of intention declares the City Council's intention to levy and collect assessments within the WPAD for FY 2012-13 and sets June 5, 2012 as the date of the public hearing. Detailed assessment data for all affected properties are due to the Alameda County Auditor-Controller Agency by August 10, 2012.

## BACKGROUND/LEGISLATIVE HISTORY

The City of Oakland formed the Wildfire Prevention Assessment District in January 2004 to finance the costs and expenses related to fire suppression, prevention and preparedness services and programs in the Oakland hills. The legislation forming the WPAD provides for the creation of a Citizen's Advisory Committee, which takes responsibility for preparing a budget for Council approval and recommending program priorities. The Preliminary Annual Report contains the Advisory Committee's program proposals and the associated budget for the assessments

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proposed to be levied in fiscal year 2012-13. The Annual Report also sets forth the proposed amounts of the assessment on each parcel. Further steps are described below:

1. Approve the Preliminary Annual Report and adopt a resolution of intention. The resolution of intention declares the City Council's intention to levy and collect assessments within the WPAD for the fiscal year and sets a date, hour, and place for a public hearing. The resolution also transmits the Preliminary Annual Report, which incorporates the WPAD Citizen's Advisory Committee program and budget proposals and specifies the assessment amounts per type of parcel.
2. Conduct the public hearing affording all interested parties the opportunity to hear and be heard. The public hearing is scheduled to occur at 6:30 p.m. on June 5, 2012.
3. Upon completion of the public hearing on June 5, 2012, adopt a resolution confirming the information in the Annual Report and the levy of the assessment within the WPAD for FY 2012-13.

The City of Oakland collects the WPAD assessment through the County of Alameda property tax bill. Upon fulfillment of the requirements for the WPAD, the City of Oakland must submit the assessments to the Alameda County Auditor-Controller Agency by August 10, 2012 for inclusion in the FY 2012-13 property tax roll.

### ANALYSIS

The purpose of this report and resolution is to declare the intent of the City Council to levy and collect assessments within the WPAD for FY 2012-13, state whether the assessment is proposed to increase from the previous year, and set a date, hour, and place for a public hearing.

### WPAD Assessments

The table below details the annual assessment rates by development and land use status. Assessments are proposed to remain unchanged, as there is no provision in the ordinance for a Consumer Price Index (CPI) increase.

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**Oakland Wildfire Prevention Assessment District  
 FY 2012-13 Assessment Rates**

	<u>Annual Assessment</u>
<b><u>Developed Land Use</u></b>	
Single Family Residential	\$65.00 per Parcel
Condominium/Townhouse	\$48.75 per Unit
Multi-Family (Apartments) and Mobile Home	\$32.50 per Unit
Commercial, Industrial, Public Institutional, Recreational, Utility	\$274.95 per Acre
<b><u>Improved Land Use</u></b>	
Commercial, Industrial, Public, Institutional, Recreational, Utility	\$82.49 per Acre
<b><u>Undeveloped Land Use</u></b>	
Single Family Residential	\$16.25 per Parcel
Commercial, Industrial, Condominium/Townhouse, Institutional, Recreational, Utility, Multifamily, Mobile Home	\$68.74 per Acre
Public	\$34.37 per Acre

**PUBLIC OUTREACH/INTEREST**

Pursuant to the California Streets and Highways Code, the City Council must hold a public hearing to provide an opportunity for any interested party to be heard. Staff proposes that the date of the public hearing be set for Tuesday, June 5, 2012 at 6:30 p.m., or as soon thereafter as the item may be heard, in the City Council Chambers.

**COORDINATION**

The report was prepared in coordination with the City of Oakland Fire Department, City Attorney's Office and Francisco & Associates, the City's Contractor's who annually administer special financing districts.

**COST SUMMARY/IMPLICATIONS**

This report is for the purpose of initiating the annual assessment process for the WPAD.

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Per Resolution No. 81740 C.M.S., the contractual agreement with Francisco & Associates, Inc. was extended for two years through December 31, 2012. Funding for the contract is budgeted for and includes the service and cost of preparing the Annual Report. There is no impact on the General Fund and no additional funding is requested.

**WPAD Proposed Budget**

The Preliminary Annual Report included with the staff report presents the WPAD Citizens Advisory Committee's proposed budget. This budget estimates total resources of \$3 million and an expenditure budget of \$2.6 million, after which would leave a balance of \$0.4 million at the end of FY 2012-13 (see table below for the 2011-12 WPAD Engineering Budget).

<b>Oakland Wildfire Prevention Assessment District FY 2012-13 Proposed Budget</b>	
	<b>Amount</b>
<b>Revenues</b>	
Estimated Unspent Fund Balance, FY 2011-12	\$1,315,254
Estimated FY 2012-13 Assessment Revenue	\$1,807,602
Allowance for Delinquencies	(\$80,000)
Interest Earned (Revenue)	\$3,500
County Administrative Fee for Assessment Collections	(\$26,934)
<b>Total Estimated Available Resources</b>	<b>\$3,019,411</b>
<b>Expenditures (account code)</b>	
<b><u>Services</u></b>	
Goat Grazing Program (54919)	\$365,000
Property Owner Chipping Program (54911)	\$100,000
Vegetation Management Program (54911)	\$1,200,000
Fire Prevention Education & Training Program (51000 & 58000)	\$125,000
Roving Fire Patrol Program (51000)	\$25,000
Support Services for Inspection Program (54711)	\$35,000
Public Outreach (53611 & 54711)	<u>\$190,000</u>
<b>Subtotal</b>	<b>\$2,070,000</b>
<b><u>District Administration</u></b>	
Annual Audit (54111)	\$21,861
City Staff/Board Expenses (51000, 53313, & 55000)	\$10,000
Assessment Engineering (54411)	\$22,761
Performance Review (53719)	<u>\$12,500</u>
<b>Subtotal</b>	<b>\$67,122</b>

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<b>Designated Reserves</b>		
FEMA Grant Matching		\$300,000
Chabot Space & Science Center Wildfire Prevention Project		\$171,000
Skyline Median Work		<u>\$4,000</u>
	Subtotal	\$475,000
	Total Expenditures	\$2,612,122
<b>Contribution to/(from) Fund Balance</b>		<b>(\$907,965)</b>
<b>Estimated Ending Fund Balance</b>		<b>\$407,289</b>

Cost estimates for the various WPAD programs were prepared by the City of Oakland Fire Department with input from the Wildfire Prevention Assessment District Citizen's Advisory Committee. The Oakland Wildfire Prevention Assessment District will provide the following services described below.

- **Goat Grazing Program** – Utilizes herds of goats to clear the excess brush that allows fires to spread rapidly. The goats remove vegetation from the large public open space areas within the assessment district boundaries.
- **Property Owner Chipping Program** – This program assists private property owners by providing a convenient way to dispose of tree branches, brush and other yard waste that can fuel fires. The district will provide crews to process private property owners' yard waste into wood chips or mulch for the owners' use or provide other means of disposal.
- **Vegetation Management Program** – Private contractors and city crews will provide the district's vegetation reduction and management programs for areas inappropriate for the Goat Grazing Program. This includes open space and canyon hill parcels, firebreaks and roadside clearance along public streets, and evacuation routes within the district. Additionally, fire companies and vegetation management inspectors annually inspect district properties to identify those that are in violation of the Oakland Fire Code. The inspectors will notify non-compliant property owners and after conducting re-inspections, property owners still in non-compliance will be charged the cost of having contractors bring the private property back into compliance.
- **Fire Prevention Education & Training Program** – Public Outreach staff will provide special training to district neighborhoods and schools in fire prevention, defensible space planning, and planning safe evacuation routes in the event of a fire.
- **Roving Fire Patrols Program** – This program will provide additional fire patrols to monitor properties within the boundaries of the assessment district during high fire hazard days to monitor, correct, and report potential fire hazards to the Fire Department.
- **Support Services for Inspection Programs** – This program provides seasonal support to the residents throughout the inspection season. They receive inquiries via phone or mail and

respond to those inquiries. They also maintain the inspection database by inputting the up-to-date inspection information such as the compliance status.

- Public Outreach – This includes printing, duplication and postage for outreach mailings.

Resolution No. 79185 C.M.S. (May 3, 2005) provides the City Administrator with the following:

- Authorization, upon recommendation of the WPAD Citizen's Advisory Committee, to reallocate funds in program areas to address time sensitive needs;
- Authorization to adjust the WPAD budget when the tax assessment allocation is lower than projected; and
- Authorization to re-allocate prior year, unspent fund balances.

The Oakland Fire Suppression, Prevention and Preparedness District Ordinance of 2003 (Ordinance No. 12556 C.M.S.) requires that all proceeds of the assessment be maintained separately from the General Fund. Any balance remaining on June 30<sup>th</sup> must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements or operating reserves for the district. On June 30, 2012, it is estimated that \$1,315,254 will be unspent from FY 2011-12 and will be available for use in FY 2012-13. Assessment revenues can only be used for the fire prevention programs and services listed in the WPAD Annual Report and cannot be diverted to other uses. City staff, with citizen input, reviews the effectiveness of each fire prevention program to determine if there should be an increase or decrease in funding or whether the program should be eliminated. The proposed listing of fire prevention programs and their corresponding budgets are presented to City Council for their review and approval annually.

Each fiscal year the City will have an independent audit conducted to ensure that assessment revenues were only expended on the authorized services and programs stated herein. The results of each independent audit are available for public inspection.

There is one attachment to the Preliminary Annual Report that is not included because of its large size; **Appendix B**, which is the FY 2012-13 Assessment Roll, a document that lists all properties within the assessment district by Assessor's Parcel Number and identifies each property's use code and assessment amount. The FY 2012-13 Assessment Roll is on file with the City Clerk.

Pursuant to the Oakland Municipal Code, the City Council must hold a public hearing to provide an opportunity for any interested party to be heard. Staff proposes that the date of the public hearing be set for Tuesday, June 5, 2012 at 6:30 p.m, or as soon thereafter as the item may be heard, in the City Council Chambers.

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**SUSTAINABLE OPPORTUNITIES**

***Economic:***

Revenues generated from this assessment are 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:***

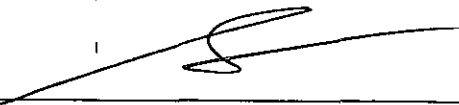
There are no direct social impacts associated with the City Council action requested in this report.

***CEQA:***

This report is not a project under CEQA.

For questions regarding this report, please contact Kirsten LaCasse, at (510) 238-6776.

Respectfully submitted,



SABRINA LANDRETH  
Budget Director, Budget Office

Reviewed by:  
Osborn Solitei, Controller

Prepared by:  
Kirsten LaCasse, Assistant Controller  
Budget Operations & Analysis Unit

**Attachment:**

***Attachment A [FY 2012-13 Preliminary Engineer's Report for the WPAD]***

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