

  
City Attorney's Office  
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# OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

**RESOLUTION ON THE CITY COUNCIL'S OWN MOTION SUBMITTING TO THE VOTERS AT THE MARCH 3, 2020 SPECIAL MUNICIPAL ELECTION, AN ORDINANCE TO ADOPT A SPECIAL PARCEL TAX TO MAINTAIN AND IMPROVE CITY OF OAKLAND PARKS AND RECREATIONAL FACILITIES, PROVIDE SERVICES TO UNHOUSED/ UNSHELTERED PERSONS, REDUCE TRASH AND LITTER POLLUTION IN THE CITY'S WATERSHED AND STORM DRAIN SYSTEM; AND DIRECTING THE CITY CLERK TO TAKE ALL ACTIONS NECESSARY UNDER LAW TO PREPARE FOR AND CONDUCT A MARCH 3, 2020 SPECIAL MUNICIPAL ELECTION**

**WHEREAS**, park maintenance staffing has plummeted since its zenith in the early 1970s, but the reductions occurred slowly over the years as Proposition 13 curtailed City revenues; and

**WHEREAS**, the Landscaping and Lighting Assessment District (LLAD) was originally formed on June 23, 1989 and subsequently approved by the registered voters of the City of Oakland in 1994, to raise dedicated funds for the maintenance of parks, grounds and medians, ball fields, open space; for the provision of custodial services at recreational facilities and free-standing restrooms at parks and ball fields, tree services and streetlights; and

**WHEREAS**, in 1994, Oakland voters rejected a ballot measure challenging the LLAD and since then Oakland has acquired additional acres of parkland and constructed new recreational facilities; and

**WHEREAS**, the LLAD currently generates approximately \$20.0 million dollars in revenue annually (including delinquency assessments from prior years) which provides funding to maintain grounds and landscaped medians, open space, pools, and custodial services at about 130 park and recreation facilities, 44 stand-alone restrooms, community gardens and ball fields, and many other recreation-related buildings and infrastructure in the City of Oakland, as well as, pays utility costs for City street lights and water use at parks and fields; and

**WHEREAS**, costs have escalated, (e.g. utility rates, and personnel costs), and with no provision for a cost of living adjustment (COLA) in the LLAD, by 2005 the General Purpose Fund had to begin supplementing the LLAD, and that pattern has persisted in each budget since; and

**WHEREAS**, the City will contribute approximately \$8.0 million dollars in fiscal year (FY) 2019-20 from other funding sources for the maintenance of parks and recreational facilities and streetlights; and

**WHEREAS**, new and renovated parks and plans are being developed primarily funded by voter-supported Measure DD, Measure WW, State Park Bonds and former Redevelopment funds (still funding projects in process); and

**WHEREAS**, well-maintained parks benefit communities by increasing health and wellness, improving social and environmental inequities, providing green and community resources that increase climate change resilience, and improving community safety and connectedness; and

**WHEREAS**, bonds and former Redevelopment funds are restricted to supporting the creation of a park or other facility and are not available to fund staff or materials for ongoing maintenance; and

**WHEREAS**, there have been insufficient funds budgeted to maintain these newly constructed parks; and

**WHEREAS**, parks require more care as years pass, and deferred maintenance can result in more expensive repairs and renovations; and

**WHEREAS**, parks and recreational facility maintenance is essential to the accessibility, vitality, and livability of Oakland; and

**WHEREAS**, in their report titled *Continuing Crisis: The 2018 Report on the State of Maintenance in Oakland Parks*, the Oakland Parks and Recreation Foundation states, "Our parks should reflect Oakland's commitment to becoming a more inclusive and equitable city. While there are some bright spots, there is much work to be done"; and

**WHEREAS**, Oakland's parks provide spaces for all Oaklanders to be physically active, provide vital green space, generate economic benefits, and protect natural areas; and

**WHEREAS**, Oakland's parks and recreation centers host a variety of events, including infant and toddler play groups, after-school programs and summer camps for our children, arts instruction to students of all ages, community meetings and events, fitness classes, sports, and many more; and

**WHEREAS:** The City serves all residents by promoting fairness and equitable outcomes for all City of Oakland maintained region-serving parks and resource conservation areas and provides access to safe, clean and quality outdoor spaces, facilities, and activities that appeal to the interest of all communities; and

**WHEREAS,** the City is subject to the San Francisco Bay Regional Water Quality Control Board's National Pollutant Discharge Elimination System Municipal Regional Permit (the "NPDES Permit"), which mandates that the City eliminate trash and litter in its storm drain system and in receiving water bodies by 2022; and

**WHEREAS,** the City has not identified revenue sufficient to meet its obligations pursuant to the NPDES Permit and may face significant legal, financial, and reputational consequences as a result; and

**WHEREAS,** in addition to being a legal requirement, proper storm drain maintenance preserves quality of life for all Oakland residents by reducing litter, keeping streets and creeks clean, and preventing flooding; and

**WHEREAS,** the City and greater Bay Area are experiencing an unprecedented housing crisis, resulting in thousands of residents becoming unhoused and unsheltered; and

**WHEREAS,** helping homeless residents transition to temporary shelter and long term, permanent housing is a top priority for the City; and

**WHEREAS,** the revenues received from the Act will be expended exclusively for the benefit of parks and recreational facilities, to improve water quality, reduce trash and litter pollution, and provide homeless support services; and

**WHEREAS,** in accordance with CEQA Guidelines Section 15061, subd. (b)(3), the City finds that there is no possibility that the activity authorized herein may have a significant effect on the environment; and now therefore be it

**RESOLVED:** That the Oakland City Council finds and determines the forgoing recitals are true and correct and hereby adopts and incorporates them into this Resolution; and be it

**FURTHER RESOLVED:** That the Oakland City Council does hereby submit to the voters, at the March 3, 2020, Statewide Primary Election, an Ordinance that shall read as follows:

**PART 1. General**

**SECTION 1. Title and Purpose.**

- A. TITLE. This Ordinance may be cited as the "The 2020 Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act".

- B. **PURPOSE.** The taxes imposed under this Ordinance are solely for the purpose of raising revenue necessary to maintain, protect and improve parks and recreational facilities and services, to provide homeless support services, to improve water quality, and to pay for certain administrative expenses related to the taxes.

Because the proceeds of the parcel tax will be deposited in a special fund or funds restricted for the services and programs specified in Section 3, the tax is a special tax.

## **SECTION 2. Findings.**

This Ordinance is exempt from the California Environmental Quality Act, Public Resources Code section 21000 *et seq.* ("CEQA"), since in accordance with CEQA Guidelines Section 15061, subd. (b)(3), it can be seen with certainty that there is no possibility that the activity authorized herein may have a significant effect on the environment.

## **SECTION 3. Use of Proceeds.**

- A. **Objectives.** The tax proceeds raised by the special tax created by this Ordinance may be used only to pay for costs or expenses relating to or arising from efforts to achieve the following desired outcomes and objectives:
1. Support the equitable distribution of maintenance services to parks and recreational facilities throughout Oakland in order to decrease disparities in life outcomes of marginalized communities and to facilitate equity of opportunity throughout Oakland;
  2. Provide ongoing maintenance and facilitate the use and operation of parks and recreational facilities for Oakland residents and visitors;
  3. Improve and increase maintenance, tree, and landscape services for parks and recreational facilities throughout Oakland;
  4. Maintain fixed assets within parks and recreational facilities to avoid more costly repairs;
  5. Increase services to unhoused and unsheltered persons within Oakland, with an emphasis on those living in or adjacent to City of Oakland parks, to reduce homelessness and its impacts to public health;

6. Improve water quality through actions that include the maintenance and cleaning of stormwater trash collection systems and reducing trash and litter in our parks, creeks, and waterways; and
  7. Cover the direct and indirect administrative expenses associated with the special tax.
- B. Uses. Taxes collected pursuant to the special taxes imposed by this Ordinance shall be used only in connection with programs and services that further the objectives set forth in Section 3(A), such as but not limited to the following:
1. Parks, landscape maintenance, and recreational services. Includes costs associated with maintaining, protecting, and improving parks, open space, and recreational facilities and services throughout Oakland, such as, but not limited to:
    - (a) Mowing City operated sports fields frequently, every other week or as may be required by the time of year;
    - (b) Collecting trash and litter several times per week, including Saturdays and Sundays, from the City's most used parks, assuring equitable distribution of resources;
    - (c) Performing regular maintenance on frequently used trails, open spaces and parkland;
    - (d) Performing regular maintenance of park assets including buildings, play structures, and trees;
    - (e) Cleaning park restrooms more than once per day, especially on weekends;
    - (f) Acquiring furniture, fixtures, and equipment to enhance parks and recreational services;
    - (g) Acquiring and installing non-structural improvements to maintain and enhance parks and recreational facilities;
    - (h) Providing maintenance and custodial services to parks and recreational facilities;
    - (i) Enhancing safety and security at parks;
    - (j) Purchasing equipment, such as vehicles and computers, supplies, facility improvements, minor additions, and building modifications;

- (k) Training city staff to provide any of the above services, and others, in an efficient manner and in compliance with all City policies;
  - (l) Developing measurable tools to ensure equitable maintenance of all parks and open spaces, using the expertise of the Public Works Department, Parks Recreation and Youth Development, and the Department of Race and Equity; and
  - (m) Providing dedicated staff at major parks. "Major parks" means City operated Community Parks, Region-Serving Parks, and Resource Conservation Areas, as those terms are used in the Open Space Conservation & Recreation (OSCAR) element of the Oakland General Plan.
2. Services to address homelessness. Includes costs associated with alleviating homelessness or its impacts within Oakland, such as but not limited to:
- (a) Providing programs and services that enable unsheltered and unhoused residents to access temporary shelters, transitional and supportive housing, and permanent housing;
  - (b) Expanding cleaning, health, and hygiene services for unsheltered and unhoused residents and alleviating public health impacts associated with lack of sanitation and hazardous conditions and materials;
  - (c) Developing City-run programs to prevent homelessness and providing matching funds for programs developed by nonprofit organizations;
  - (d) Implementing programs, services, and actions included in Oakland's Permanent Access to Housing (PATH) Strategy, or other housing and homelessness policies adopted by the Oakland City Council;
  - (e) Providing services to currently or formerly unhoused persons that help them obtain or retain housing, including employment services, rapid rehousing services, and services to persons residing in shelters, transitional housing, and permanent supportive housing developments;
  - (f) Increasing the number of shelter beds that include support services and housing resources;

- (g) Supporting safe RV parking sites with health, hygiene, security, and case management services;
  - (h) Increasing case management services and quick financial assistance programs to keep people from becoming homeless; and
  - (i) Providing employment training programs to provide job training, job placement, and wage paying work experience for current or recent homeless residents.
3. Services to address water quality and related litter reduction. Includes costs associated with meeting the City's water quality objectives, such as but not limited to:
- (a) Acquiring, installing, and maintaining full trash capture systems, including hydrodynamic separator and connector pipe screens;
  - (b) Sponsoring Creek and Shoreline Clean-ups;
  - (c) Expanding illegal dumping enforcement and education to reduce trash in our creeks, storm water system, and waterways;
  - (d) Installing green infrastructure to reduce litter and improve water quality;
  - (e) Supporting the City's Adopt-a-Drain and Adopt-a-Spot programs and related educational efforts to reduce trash;
  - (f) Performing routine operations and maintenance of the City's storm water system to reduce potential for flooding;
  - (g) Conducting inspections of facilities contributing to trash overflow into our storm drains;
  - (h) Implementing the City's Direct Trash Discharge Control Plan, or related plans approved by the San Francisco Bay Regional Water Quality Control Board;
  - (i) Enforcing ordinances seeking to reduce the use and disposal of plastic food ware and packaging;
  - (j) Picking up litter and debris to keep trash out of storm systems and improve water quality;
  - (k) Updating the City Storm Drainage Master Plan; and

- (l) Pursuing other actions that support and enable the City to meet the objectives and requirements of Provision C.10 “Trash Load Reduction” of the San Francisco Regional Water Quality Control Board’s National Pollutant Discharge Elimination System (NPDES) Municipal Regional Permit (MRP).
- 4. Administrative Expenses. Includes direct and indirect costs associated with this special tax and the provision of the aforementioned services, such as but not limited to:
  - (a) Paying any fees charged by County of Alameda to collect and remit the special tax;
  - (b) Paying any costs related to an audit and financial monitoring of the special tax, costs necessary to levy the special tax, costs to implement a performance tracking system, or to conduct an evaluation of the effectiveness of services or programs that are funded by the special tax; and
  - (c) Paying costs required to implement the services and programs in Part 1, Section 3(B)(1)-(3).
- C. Allocation. The proceeds of the special tax shall be appropriated in the budget process or by resolution of the City Council. To achieve the objectives stated herein:
  - 1. One percent (1%) of the total funds annually appropriated each fiscal year by this special tax, net of any collection and tax levy costs & fees, shall be appropriated for audit and evaluation of the programs, strategies and services funded by this measure, and associated administrative expenses.
  - 2. Not less than sixty-four percent (64%) of the total funds annually appropriated each fiscal year by this special tax, net of any collection and tax levy costs & fees, shall be appropriated for parks, landscape maintenance, and recreational services such as those noted in Part 1, Section 3(B)(1), and associated administrative expenses.
  - 3. Thirty percent (30%) of the total funds annually appropriated each fiscal year by this special tax, net of any collection and tax levy costs & fees, shall be appropriated for services to address homelessness such as those noted in Part 1, Section 3(B)(2), and associated administrative expenses.

4. Five percent (5%) of the total funds annually appropriated each fiscal year by this special tax, net of any collection and tax levy costs & fees, shall be appropriated for services and projects to address water quality and litter reduction such as those noted in Part 1, Section 3(B)(3), and associated administrative expenses.
  5. These allocations shall be net of the amount needed to reimburse the City for costs incurred in connection with the election seeking voter approval of this Ordinance.
  6. Notwithstanding any of the above, the City Council may approve minor variations in these allocations and such minor variations will not be considered inconsistent with the purposes of this Ordinance.
- D. Authorized Uses of Tax Revenues. Except as otherwise expressly authorized by this Ordinance, the special taxes authorized and collected pursuant to this Ordinance shall be used only for the purposes set forth in Section 3.

#### **SECTION 4. Maintenance of Effort**

- A. Parks Maintenance. For so long as the parcel tax is in effect, the City's operative budget may not appropriate more than fifty-five percent (55%) of the estimated revenue allocated to parks, landscape maintenance, and recreational services pursuant to Part 1, Section 3(C)(2) to preserve parks maintenance operational services at the level provided for in the City's 19-21 Adopted Policy Budget for fiscal year 2019-2020.

The City may spend revenue allocated to parks, landscape maintenance, and recreational services pursuant to Part 1, Section 3(C)(2) only if the City's operative budget is in compliance with this subsection.

- B. Homeless Services. For so long as the parcel tax is in effect, if the City's operative fiscal year budget appropriates less in ongoing, unrestricted revenue, not including any revenue attributable to this parcel tax, to homeless services than is appropriated to direct homeless services from ongoing, unrestricted revenue, and not including any revenue from the Affordable Housing Trust Fund, Fund 1870, in the City's 19-21 Adopted Policy Budget for fiscal year 2019-2020, the City may not expend any revenue attributable to this parcel tax on any purposes described in Part 1, Section 3(A)(5).

- C. Stormwater System. For so long as the parcel tax is in effect, if the City's operative fiscal year budget appropriates less in ongoing revenue, not including any revenue attributable to this parcel tax, for ongoing operations and maintenance costs of the uses described in Part 1, Section 3(A)(6) than is appropriated to those same uses from ongoing revenue in the City's 19-21 Adopted Policy Budget for fiscal year 2019-2020, the City may not expend any revenue attributable to this parcel tax on any purposes described in Part 1, Section 3(A)(6).
- D. The City Administrator may determine, in their reasonable discretion, any minimum amounts required to be appropriated for particular uses pursuant to this Section 4.
- E. The City Council may temporarily suspend the provisions of Section 4 by resolution to meet urgent and changing needs in the event of extreme fiscal necessity.

#### **SECTION 5. Planning and Accountability**

- A. Commission. The City Council shall assign to one or more existing Boards or Commissions, the responsibility for citizen oversight of this measure. This Board or Commission or Boards and Commissions shall review reports related to the expenditure of revenue collected by the City from the special tax imposed by this Ordinance and provide reports to the City Council when requested, and perform other functions as assigned by the City Council.
- B. City Auditor's Audit. The City Auditor shall perform a biennial audit to ensure accountability and proper disbursement of all revenue collected by the City from the special tax imposed by this Ordinance, in accordance with the objectives stated herein and in compliance with provisions of State Law.
- C. Annual Financial Audit. An independent audit may be performed annually to ensure accountability and proper disbursement of the proceeds of this tax in accordance with the objectives stated herein as provided by Government Code sections 50075.1 and 50075.3. The City will, from time to time, retain an engineer for services pertaining to this parcel tax.

#### **SECTION 6. Special Fund.**

All funds collected by the City from the special tax imposed by this Ordinance shall be deposited into one or more special funds in the City treasury and appropriated and expended only for the purposes and uses authorized by this Ordinance.

#### **SECTION 7. Central Services Overhead.**

Expenditures for "Central Services Overhead," as that term is defined in the City's 19-21 Adopted Policy Budget, may not be recovered from any special fund or funds created to collect funds from the special tax imposed by this Ordinance.

## **SECTION 8. Savings Clause.**

If any provision, sentence, clause, Section or part of this Act is found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall affect only such provision, sentence, clause, Section or part of this Act and shall not affect any of the remaining provisions, sentences, clauses, Sections or parts of this Ordinance. It is hereby declared to be the intention of the city, that the City would have adopted this Act had such unconstitutional, illegal or invalid provision, sentence, clause Section or part thereof not been included herein.

If any tax or surcharge imposed by this Act is found to be unconstitutional, illegal or invalid, the amounts, services, programs and personnel required to be funded from such taxes and surcharges shall be reduced proportionately by any revenues lost due to such unconstitutionality, illegality or invalidity.

## **SECTION 9. Regulations.**

The City Administrator may promulgate appropriate regulations to implement the provisions of this Act.

## **SECTION 10. Amendment.**

Except as otherwise expressly provided herein, the tax rates set forth herein may not be increased by action of the City Council without the applicable voter approval but the City Council may make any other changes to this Ordinance as are consistent with its purpose, except that the City Council may only change the allocations defined in Part 1, Section 3(C) as provided in that Section.

## **SECTION 11. Challenge to Tax.**

Any action to challenge the taxes imposed by this ordinance shall be brought pursuant to Government Code section 50077.5 and Code of Civil Procedure section 860 et seq.

## **SECTION 12. Severability.**

If any provision of this Act, or part of this Act, or the application of any provision or part to any person or circumstances, is for any reason held to be invalid, the remaining provisions, or applications of provisions, shall not be affected, but shall remain in full force and effect, and to this end the provisions of this measure are severable. If a court were to find in a final, unreviewable judgment that the exclusion of one or more entities or activities from the applicability of the Act renders the Act unconstitutional, those exceptions should be severed and the Act should be made applicable to the entities or activities formerly exempt from the Act. It is the intent of the voters that this Act would have been enacted regardless of whether any invalid provision had been included or any invalid application had been made.

**SECTION 13. Conflicting Initiatives.**

- A. In the event that this measure and one or more conflicting measures appear on the same City ballot, the provisions of the measure that receives the greatest number of affirmative votes shall prevail in their entirety, and the other measure or measures shall be null and void.
- B. If this measure is approved by the voters but superseded by law by any other conflicting measure approved by voters at the same election, and the conflicting ballot measure is later held invalid, this measure shall be self-executing and given full force and effect.

**SECTION 14. Reimbursement.**

At the discretion of the City Council, special tax revenues collected by the City pursuant to this Ordinance may be used to reimburse the City for costs incurred in connection with the election seeking voter approval of this Ordinance.

**SECTION 15. Liberal Construction.**

This Act shall be liberally construed to effectuate its purposes.

**SECTION 16. Effective Date.**

The taxes imposed by this Ordinance shall be effective only if approved by two-thirds of the voters voting in the election held on March 3, 2020 and shall go into effect ten (10) days after the vote is declared by the City Council.

**SECTION 17. Term of Tax Imposition.**

The taxes enacted by this Ordinance shall be imposed and levied for a period of twenty (20) years. The City shall place delinquencies on subsequent tax bills.

**PART 2. Parcel Tax**

**SECTION 1. Definitions.**

For purposes of this Part 2 only, the following terms shall be defined as set forth below:

- A. "Building" shall mean any structure having a roof supported by columns or by walls and designed for the shelter or housing of any person, chattel or property of any kind. The word "Building" includes the word "structure."
- B. "City" shall mean the City of Oakland, California.

- C. "Family" shall mean one (1) or more persons related by blood, marriage, domestic partnership, or adoption, legal guardianship, who are living together in a single residential unit and maintaining a common household. Family shall also mean all unrelated persons who live together in a single Residential Unit and maintain a common household.
- D. "Hotel" shall be as defined by Oakland Municipal Code Section 4.24.020.
- E. "Multiple Residential Unit Parcel" shall mean a Parcel zoned for a Building, or those portions thereof, that accommodates or is intended to contain two (2) or more residential units, whether or not developed.
- F. "Non-Residential" shall mean all Parcels that are not classified by this Act as Single-Family Residential or Multiple Residential Unit Parcels, and shall include, but not be limited to, Parcels for industrial, commercial and institutional improvements, whether or not developed.
- G. "Occupancy" shall be as defined by Oakland Municipal Code Section 4.24.020.
- H. "Operator" shall be as defined by Oakland Municipal Code Section 4.24.020.
- I. "Owner" shall mean the Person having title to real estate as shown on the most current official assessment role of the Alameda County Assessor.
- J. "Parcel" shall mean a unit of real estate in the City of Oakland as shown on the most current official assessment role of the Alameda County Assessor.
- K. "Person" shall mean an individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.
- L. "Possessory Interest" as it applies to property owned by any agency of the government of the United States, the State of California, or any political subdivision thereof, shall mean possession of, claim to, or right to the possession of, land or Improvements and shall include any exclusive right to the use of such land or Improvements.
- M. "Residential Unit" shall mean a Building or portion of a Building designed for or occupied exclusively by one Family.
- N. "Single-Family Residential Parcel" shall mean a Parcel zoned for single-family residences, whether or not developed.
- O. "Tax" shall mean the parcel tax created by this Act and further described in Part 2, Section 2, below.

- P. "Transient" shall mean any individual who exercises Occupancy of a Hotel or is entitled to Occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any individual so occupying space in a Hotel shall be deemed to be a Transient until the period of thirty (30) consecutive days has elapsed.

## **SECTION 2. Imposition of Parcel Tax.**

There is hereby imposed a special tax on all Owners of Parcels in the City of Oakland for the privilege of using municipal services and the availability of such services. The tax imposed by this Section shall be assessed on the Owner unless the Owner is by law exempt from taxation, in which case, the tax imposed shall be assessed to the holder of any Possessory Interest in such Parcel, unless such holder is also by law exempt from taxation. The tax is imposed as of July 1 of each year on the person who owned the Parcel on that date. The tax shall be collected at the same time, by the same officials, and pursuant to the same procedures as the one percent tax imposed pursuant to Article XIII A of the California Constitution.

The tax hereby imposed shall be set as follows subject to adjustment as provided in Section 4 of this Act:

- A. For owners of all Single-Family Residential Parcels, the Tax shall be at the annual rate of \$148.00 per Parcel.
- B. For owners of all Multiple Residential Unit Parcels, the Tax shall be at the annual rate of \$101.08 per Residential Unit.
- C. The tax for Non-Residential Parcels is calculated using both frontage and square footage measurements to determine total single-family residential unit equivalents (SFE). A frontage of eighty (80) feet for a commercial institutional Parcel, for example, is equal to one (1) SFE. (See matrix.) An area of six thousand four hundred (6,400) square feet for the commercial institutional Parcel is equal to one (1) SFE. For tall buildings (more than five (5) stories), the SFE computation also includes one (1) SFE for every five thousand (5,000) square feet of net rentable area. The Tax is the annual rate \$148.00 multiplied by the total number of SFEs (determined by the frontage and square footage).

LAND USE CATEGORY	FRONTAGE	AREA (SF)	BUILDING AREA (SF)
Commercial/Institutional	80	6,400	N/A
Industrial	100	10,000	N/A
Public Utility	1,000	100,000	N/A
Golf Course	500	100,000	N/A
Quarry	1,000	250,000	N/A
Tall Buildings > 5 stories	80	6,400	5,000

Example: assessment calculation for a Commercial Institutional Parcel with a Frontage of 160 feet and an Area of 12,800 square feet:

Frontage                    160 feet ÷ 80 = 2 SFE

Area                            12,800 square ÷ feet 6,400 = 2 SFE

                                      2 SFE + 2 SFE = 4 SFE

                                      4 SFE x \$148.00 = \$592.00 tax

D. The Tax imposed by this Act shall be imposed on each Hotel within the City as follows:

1. Residential Hotels. Rooms in a Hotel occupied by individuals who were not Transients for eighty percent (80%) or more of the previous fiscal year shall be deemed Residential Units and the Parcel on which they are located shall be subject to the Tax imposed on Multiple Residential Unit Parcels. The remainder of the Building shall be subject to the applicable tax computed in accordance with the single-family residential unit equivalent formula set forth in Section 2(c) of this Act.
2. Transient Hotels. Notwithstanding paragraph (1) of this subdivision, if eighty percent (80%) or more of the Operator's gross receipts for the previous Fiscal Year were reported as rent received from Transients on a return filed by the Operator in compliance with Section 4.24.010 of the Oakland Municipal Code (commonly known as the Uniform Transient Occupancy Tax of the City of Oakland), such Hotel shall be deemed a Transient Hotel. The entire Building shall be deemed a Non-Residential Parcel, categorized as commercial/institutional, and shall be subject to the applicable tax computed in accordance with the single-family residential unit equivalent formula set forth in Section 2(c) of this Act, and the Tax imposed on Multiple Residential Units shall not apply.

### **SECTION 3. Exemptions.**

- A. Very-Low income household exemption. The following is exempt from this tax: an Owner of a Single-Family Residential Unit (1) who resides in such unit and (2) whose combined family income, from all sources for the previous year, is at or below the income level qualifying as sixty percent (60%) of area median income for a Family of such size under Section 8 of the United States Housing Act of 1937 (42 U.S.C.A. Sections 1437 et. seq.), or successor legislation, for such year. The Director of Finance shall set forth procedures for annual applications from Owners for the exemption, which may require information such as federal income tax returns and W-2 forms of owner occupants eligible for the exemption, or procedures for an alternative process.
- B. Senior household exemption. The following is exempt from this tax: an Owner of a single-family residential unit (1) who resides in such unit, (2) who is sixty-five (65) years of age or older and (3) whose combined family income, from all sources for the previous year, is at or below the income level qualifying as eighty percent (80%) of area median income for a Family of such size under Section 8 of the United States Housing Act of 1937 (42 U.S.C.A. Sections 1437 et. seq.), or successor legislation, for such year. The Director of Finance shall set forth procedures for annual applications from Owners for the exemption, which may require information such as federal income tax returns and W-2 forms of owner occupants eligible for the exemption, or procedures for an alternative process.
- C. Fifty percent reduction for affordable housing projects. Rental housing owned by nonprofit corporations and nonprofit-controlled partnerships for senior, disabled and low-income households that are exempt from ad valorem property tax pursuant California Revenue and Taxation Code 214(f), (g) and (h) shall be liable for only 50% of the Tax. The exemption shall apply in the same proportion that is exempted from ad valorem property tax.
- D. Rebate to tenants in foreclosed single-family homes. The City will provide a rebate of one-half (1/2) of the Tax and subsequent increases thereto to tenants in single-family homes that have been foreclosed upon who have paid a passed through Parcel Tax. To qualify for this rebate, a tenant must: (1) have lived in the unit before foreclosure proceedings commenced; and (2) be at or below the income level qualifying as sixty percent (60%) of area median income for a Family of such size under Section 8 of the United States Housing Act of 1937 (42 U.S.C.A. Sections 1437 et. seq.), or successor legislation, for such year. The City will provide this rebate for every month that the Tax was applied and the tenant occupied the unit. The City will provide this rebate at the end of each year, or when the tenant vacates the unit, whichever is earlier. The City Administrator will promulgate regulations to effectuate this subdivision.

- E. Real property owned by a religious organization or school that is exempt from property taxes under California law is exempt from this Tax. To qualify for this exemption, each religious organization or school seeking such exemption shall submit such information required to determine eligibility for such exemption.
- F. Prior to the initial imposition of the Tax, the City Council shall adopt a further exemption that applies to “distressed homeowners.”

**SECTION 4. Reduction in Tax Rate; Rate Adjustment.**

- A. Subject to paragraph (B) of this section, the Tax rates imposed by this Ordinance are maximum rates and may not be increased by the City Council above such maximum rates. The tax imposed by the Ordinance may be suspended, reduced or eliminated by the City Council to the full extent allowed by Section 2 of Article XIII C of the Constitution of the State of California.
- B. Beginning for the Fiscal Year 2021-2022, and each year thereafter, the City Council may increase the Tax imposed by a percentage that is up to the greater of:
  - 1. 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
  - 2. 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 each May.

**SECTION 5. Duties of the Director of Finance; Notice of Decisions.**

It shall be the duty of the Director of the Finance to collect and receive all taxes imposed by this Act. The Director of Finance is charged with the enforcement of this Act and may adopt rules and regulations relating to such enforcement.

**SECTION 6. Examination of Books, Records, Witnesses; Penalties.**

The Director of Finance or the Director of Finance’s designee is hereby authorized to examine assessment rolls, property tax records, records of the Alameda County Recorder and any other records of the County of Alameda deemed necessary in order to determine ownership of Parcels and computation of the Tax imposed by this Act.

The Director of Finance or the Director of Finance's designee is hereby authorized to examine the books, papers and records of any person subject to the Tax imposed by this Act, including any person who claims an exemption, for the purpose of verifying the accuracy of any petition, claim or return filed and to ascertain the Tax due. The Director of Finance, or the Director of Finance's designee is hereby authorized to examine any person, under oath, for the purpose of verifying the accuracy of any petition, claim or return filed or to ascertain the Tax due under this Act and for this purpose may compel the production of books, papers and records, whether as parties or witnesses, whenever the Director of Finance believes such persons have knowledge of such matters. The refusal of such examination by any person subject to the Tax shall be deemed a violation of this Act and of the Oakland Municipal Code and subject to any and all remedies specified therein.

#### **SECTION 7. Collection of Tax; Interest and Penalties.**

The tax shall be delinquent if the City does not receive it on or before the delinquency date set forth in the notice mailed to the Owner's address as shown on the most current assessment roll of the Alameda County Tax Collector; and the Tax shall be collected in such a manner as the City Council may decide. The City may place delinquencies on a subsequent tax bill.

A one-time penalty at a rate set by the City Council, which in no event shall exceed twenty-five percent (25%) of the Tax due per fiscal year, is hereby imposed by this Act on all taxpayers who fail to timely pay the Tax provided by this Act. In addition, the City Council may assess interest at the rate of one percent (1%) per month on the unpaid tax and the penalty thereon.

Every penalty imposed and such interest as accrues under the provisions of this Act shall become a part of the Tax herein required to be paid.

The City may authorize the County of Alameda to collect the Taxes imposed by this Act in conjunction with and at the same time and in the same manner as the County collects property taxes for the City. If the City elects to authorize the County of Alameda to collect the Tax, penalties and interest shall be those applicable to the nonpayment of property taxes.

#### **SECTION 8. Collection of Unpaid Taxes.**

The amount of any tax, penalty, and interest imposed under the provisions of this Act shall be deemed a debt to the City. Any person owing money under the provisions of this Act shall be liable to an action brought in the name of the City for the recovery for such amount.

**SECTION 9. Refund of Tax, Penalty, or Interest Paid More than Once, or Erroneously or Illegally Collected.**

Whenever the amount of any tax, penalty, or interest imposed by this Act has been paid more than once, or has been erroneously or illegally collected or received by the City it may be refunded provided a verified written claim for refund, stating the specific ground upon which such claim is founded, is received by the Director of Finance within one (1) year of the date of payment. The claim shall be filed by the person who paid the Tax or such person's guardian, conservator, or the executor of her or his estate. No representative claim may be filed on behalf of a taxpayers or a class of taxpayers. The claim shall be reviewed by the Director of Finance and shall be made on forms provided by the Director of Finance. If the claim is approved by the Director of Finance, the excess amount collected or paid may be refunded or may be credited against any amounts then due and payable from the person from whom it was collected or by whom paid, and the balance may be refunded to such person, or such person's administrators or executors. Filing a claim shall be a condition precedent to legal action against the City for a refund of the tax; and be it,

**FURTHER RESOLVED:** That the City Council of the City of Oakland does hereby request that the Board of Supervisors of Alameda County order the consolidation of the Oakland Municipal election with the state primary election of March 3, 2020, consistent with provisions of State Law; and be it,

**FURTHER RESOLVED:** That in accordance with applicable law, the City Clerk shall fix and determine a date for submission of arguments for or against said proposed Ordinance, and said date shall be posted in accordance with legal requirements; and be it,

**FURTHER RESOLVED:** That each ballot used at said election shall have printed therein, in addition to any other matter required by law, the following:

AN ORDINANCE APPROVING A PARCEL TAX TO MAINTAIN, PROTECT AND IMPROVE PARKS AND RECREATIONAL SERVICES, PROVIDE HOMELESS SUPPORT SERVICES, REDUCE LITTER, AND IMPROVE WATER QUALITY THROUGHOUT OAKLAND.

<b>Measure ____.</b> Shall a measure to provide: homeless support services and programs to help homeless individuals move into shelters and housing; trash removal from parks and creeks; safe, well-maintained parks and trails; clean, accessible park restrooms; improved water quality; and park facilities repairs, by enacting an annual \$148 parcel tax for single-family parcels, and other parcels as specified, for 20 years, raising approximately \$21,000,000 annually with exemptions for low-income seniors, be adopted?	Yes	
	No	

**FURTHER RESOLVED:** That the City Council hereby authorizes and directs the City Clerk of the City of Oakland (the “City Clerk”) at least 88 days prior to March 3, 2020, to file with the Alameda County Clerk certified copies of this resolution; and be it

**FURTHER RESOLVED:** That the City Council does hereby request that the Board of Supervisors of Alameda County include on the ballots and sample ballots recitals and measure language to be voted on by the voters of the qualified electors of the City of Oakland; and be it

**FURTHER RESOLVED:** That the City Clerk is hereby directed to cause the posting, publication and printing of notices, pursuant to the requirements of the Charter of the City of Oakland, Chapter 3 of the Oakland Municipal Code, the Government Code and the Election Code of the State of California; and be it

**FURTHER RESOLVED:** That the City Council does hereby request that the Registrar of Voters of the County of Alameda perform necessary services in connection with said election; and be it

**FURTHER RESOLVED:** That in accordance with applicable law, the City Clerk shall fix and determine a date for submission of arguments for or against said proposed Ordinance, and said date shall be posted in accordance with legal requirements; and be it

**FURTHER RESOLVED:** That in accordance with CEQA Guidelines Section 15061, subd. (b)(3), the City finds that that there is no possibility that the activity authorized herein may have a significant effect on the environment; and be it

**FURTHER RESOLVED:** That the City Clerk and City Administrator are hereby authorized and directed to take any and all actions necessary under law to prepare for and conduct the 2020 state primary election and appropriate all monies necessary for the City Administrator and City Clerk to prepare and conduct the March 3, 2020 state primary election, consistent with law.

2868700v1

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT  
KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

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