

OAKLEY



CALIFORNIA

Agenda Date: 03/28/2017
Agenda Item: 3.8

STAFF REPORT

Approved and Forwarded to City Council:

Bryan H. Montgomery, City Manager

Date: Tuesday, March 28, 2017
To: Bryan H. Montgomery, City Manager
From: Kevin Rohani, Public Works Director/City Engineer
SUBJECT: Creating Zone 164 within the Oakley Special Police Tax Area Subdivision 9044 (Aspen Place)

Background and Analysis

On March 12, 2007, City Council adopted Resolution No. 30-07 which approved the Tentative Map for Subdivision 9044 (Aspen Place) consisting of 20 single-family homes located south of Laurel Road and west of Rose Lane.

The Conditions of Approval for Subdivision 9044 (Aspen Place) require the property owner(s) to augment the financial impact that their development project has on the City's police services budget. The City of Oakley previously formed the Oakley Special Police Tax Area District that authorizes the levy of an annual special tax on parcels to augment their financial impact to the City's police services budget. The property owner(s) for Subdivision 9044 (Aspen Place) have requested that the City assist with annexing Subdivision 9044 (Aspen Place) into the Oakley Special Police Tax Area.

Beginning May 2016, the City established its own police department and no longer contracts with the Sheriff's office to provide public safety. In order to ensure that revenue grows at a rate sufficient to cover the cost of providing police services, City Council approved Resolution No. 113-16 on July 12, 2016 that allows for an adjustment in the annual tax per parcel by the increase in the Consumer Price Index for all Urban Consumers for the San Francisco-Oakland-Bay Area to become effective July 1, 2016. Adoption of the attached resolution and introduction of the attached ordinance will set an election date for April 27, 2017, which shall be conducted by the City Clerk via a mail ballot. The vote will then be ratified at the May 9, 2017 regular City Council meeting, and the ordinance will take effect at that time assuming a favorable vote.

Fiscal Impact

There will be no financial impact to the City's General Fund. The applicants have funded all costs associated with the annexation of Zone 164 to the Oakley Special Police Tax Area. The FY 2016-17 special tax rate per single family parcel is \$1,002.18 and \$501.09 per undeveloped parcel. Therefore, successful creation of

Zone 164 could provide up to \$20,043.60 (in FY 2016-17 dollars) in revenue annually for this development when all of the units are occupied. The taxes will be collected on the property tax rolls commencing in FY 2017-18.

Recommendation

The conditions of approval for Subdivision 9044 (Aspen Place) require the property owners to augment police services. Adoption of this resolution and ordinance will set an election to be held on April 27, 2017. The election will then be ratified at the May 9, 2017 regular City Council meeting. Staff recommends that the City Council:

1. Adopt the Resolution creating Oakley Special Police Tax Zone 164 for Subdivision 9044 (Aspen Place); and
2. Introduce the Ordinance establishing a special tax for police protection.

Conclusion

Staff recommends that the City Council adopt the Resolution creating Oakley Special Police Tax Zone 164 within the Oakley Special Police Tax Area for Subdivision 9044, and introduce the Ordinance establishing a special tax for police protection.

Attachments

- 1) Resolution Creating Oakley Special Police Tax Zone 164
 - a. Exhibit A - Diagram
- 2) Ordinance Establishing a Special Tax
 - a. Exhibit A – Diagram
 - b. Exhibit B – Schedule for Police Service Tax

CITY OF OAKLEY

RESOLUTION NO. ___-17

A RESOLUTION CREATING OAKLEY SPECIAL POLICE TAX AREA ZONE 164 WITHIN THE OAKLEY SPECIAL POLICE TAX AREA FOR SUBDIVISION 9044 (ASPEN PLACE) TO ESTABLISH A SPECIAL TAX FOR POLICE PROTECTION SERVICES

WHEREAS, it is the intention of the City Council to create Oakley Special Police Tax Area Zone 164 (Zone 164) within the Oakley Special Police Tax Area and authorize an election; and

WHEREAS, it is the intention of the City Council to adopt an ordinance establishing a special tax for police services within Zone 164; and

WHEREAS, the City recognizes the need for increased police protection services within Zone 164 and the difficulty of funding the current or increased level of police services with revenues now available; and

WHEREAS, it is the intention of the City Council to direct the City Clerk to conduct the election required by Government Code Section 53978, to be conducted by mail ballot pursuant to Elections Code Section 4108 and to be held on the earliest date permitted by law; and

WHEREAS, on March 12, 2007, City Council adopted Resolution No. 30-07 which approved the Tentative Map for Subdivision 9044 (Aspen Place) consisting of 20 single-family homes located south of Laurel Road and west of Rose Lane. The Conditions of Approval for Subdivision 9044 (Aspen Place) require the property owner(s) to augment the financial impact that their development project has on the City's police services budget. The City of Oakley previously formed Oakley Special Police Tax Area that authorizes the levy of an annual special tax on parcels to augment their financial impact to the City's police services budget. The property owner(s) for Subdivision 9044 (Aspen Place) have requested that the City assist with annexing Subdivision 9044 (Aspen Place) into the Oakley Special Police Tax Area. The initial annual special tax rate is \$1,002.18 per single-family parcel and \$501.09 per undeveloped parcel (all FY 2016-17 rates) per the rate schedule that was adopted by the City Council on July 12, 2016, by Resolution No. 113-16; and

WHEREAS, this Resolution is adopted pursuant to Government Code section 53978; and

WHEREAS, under Government Code section 53978 and for the purposes of this Resolution, a "voter" entitled to vote on the creation of Zone 164 is a person who owns real property within Zone 164 at the time Ordinance No. ___ is adopted, as shown on the last equalized assessment roll prepared by the Contra Costa County Assessor's Office.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Oakley hereby finds and determines as follows:

1. All of the City of Oakley shall be considered as the Oakley Special Police Tax Area.
2. That portion of the City of Oakley shown on the plats titled Exhibit "A" is established as Zone 164 of the Oakley Special Police Tax Area.
3. That Ordinance No. ___ introduced this date is to be presented for approval of the voters of Zone 164 by a mail ballot election, to be held on April 27, 2017. The ballot proposition shall read as follows:

"Shall Ordinance No. ___ of the City Council of the City of Oakley be approved so as to authorize a special tax on property located in Zone 164 of the Oakley Special Police Tax Area to maintain the present level of police protection service and provide additional funding for increased police protection service? The initial annual tax is to be \$1,002.18 per single family lot and \$501.09 per vacant lot (all FY 2016-17 rates) per the current rate schedule."

4. The City Clerk is directed to take all steps necessary to conduct the election required by this order. Said election shall be conducted by mailed ballot pursuant to Elections Code Section 4000 and shall be held on a date other than the same date as a statewide direct primary election on statewide general election as specified above.
5. Zone 164 of the Oakley Special Police Tax Area shall not be created, and the tax authorized in Ordinance No. ___ shall not be imposed if the Ordinance is not approved by two-thirds of the voters participating in the election called in Ordinance No. ___.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on March 28, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

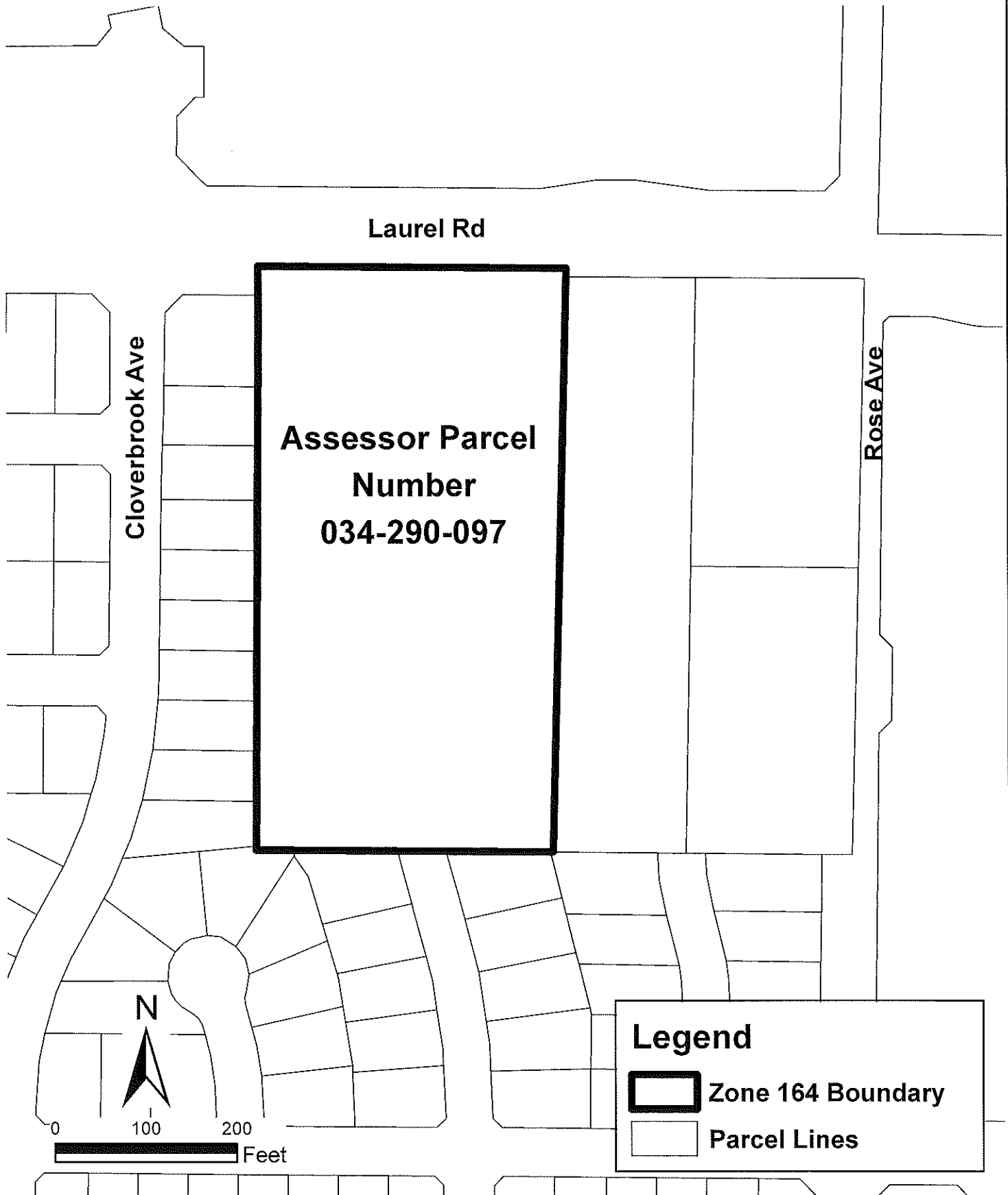
ATTEST:

Sue Higgins, Mayor

Libby Vreonis, City Clerk

Date

EXHIBIT A - BOUNDARY MAP
CITY OF OAKLEY SPECIAL POLICE TAX AREA ZONE 164
CITY OF OAKLEY
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA



CITY OF OAKLEY

ORDINANCE NO. _-17

**AN ORDINANCE OF THE CITY OF OAKLEY ESTABLISHING
OAKLEY SPECIAL POLICE TAX AREA ZONE 164 WITHIN
THE OAKLEY SPECIAL POLICE TAX AREA FOR A SPECIAL
TAX FOR POLICE PROTECTION SERVICES FOR
SUBDIVISION 9044 (ASPEN PLACE)**

The Voters of the City of Oakley do ordain as follows:

Section 1. Purpose, Intent and Authority.

It is the purpose and intent of this Ordinance to authorize the levy of a special tax on Assessor Parcel Number 034-290-097 of real property on the secured property tax roll of Contra Costa County that is within Oakley Special Police Tax Area Zone 164 (Subdivision 9044) of the Oakley Special Police Tax Area in order to provide funding for police protection to serve the property and persons within said Zone.

This Tax is a special tax within the meaning of Section 4 of the Article XIII A of the California Constitution. Because the burden of this tax falls upon property, this tax also is a property tax, but this tax is not determined according to nor in any manner based upon the value of property; this tax is levied on a parcel and use of property basis. Insofar as not inconsistent with this Ordinance or with legislation authorizing special taxes and insofar as applicable to a property tax that is not based on value, such provisions of the California Revenue and Taxation Code and of Article XIII of the California Constitution as relate to ad valorem property taxes are intended to apply to the collection and administration of this tax (Section 4 of this Ordinance), as authorized by law.

The revenues raised by this tax are to be used solely for the purposes of obtaining, furnishing, operating, and maintaining police protection equipment or apparatus, for paying the salaries and benefits of police protection personnel, and for such other police protection service expenses as are deemed necessary for the benefit of the residents of Zone 164.

This Ordinance is enacted pursuant to the authority of Government Code Section 53978.

Section 2. Definitions.

The following definitions shall apply throughout this Ordinance.

A. "Constant first year dollars" shall mean an actual dollar amount which, in years subsequent to the first fiscal year the tax is levied, shall have the same purchasing price as the base amount in first fiscal year dollars as measured by the actual cost of services for the City of Oakley's cost of obtaining police services. The base amount shall be the amount of tax per parcel as specified in Section 3.A herein. The adjustments from actual to constant dollars shall be made by use of the actual cost of services, as specified in Section 3.B herein.

B. "Fiscal year" means the period of July 1 through the following June 30.

C. "Oakley Special Police Tax Area" includes all properties within the jurisdictional limits of the City of Oakley.

D. Oakley Special Police Tax Area Zone 164 (hereinafter called "Zone") means that portion of the incorporated area of the City of Oakley located within the boundaries as shown on the map Exhibit A hereto.

E. "Parcel" means the land and any improvements thereon, designated by an assessor's parcel map and parcel number and carried on the secured property tax roll of Contra Costa County. For the purposes of this Ordinance, parcel does not include any land or improvements outside the boundaries of Zone 164 nor any land or improvements owned by any governmental entity.

F. Pursuant to Government Code §53978, "voter" means a person owning real property within the Zone at the time this Ordinance was adopted, as shown on the last equalized assessment role prepared by the Contra Costa County Assessor's Office.

Section 3. Amount and Level of Taxes.

The tax per year on each parcel in the Zone shall not exceed the amount applicable to the parcel, as specified below.

A. For First Fiscal Year:

The tax per year for the first fiscal year (July 1, 2016 through June 30, 2017) shall be the amount of Tax Per Parcel for a Property Use Code Category as set forth on Exhibit B hereto. If any new development, including new residential units, is completed prior to the tax being effective for the first fiscal year, the owner of the Parcel, as shown on the latest assessment roll, shall pay the tax for the remainder of such fiscal year on a pro-rated basis to the City, no later than receipt of Certificate of Occupancy or final building permit inspection.

B. For Subsequent Fiscal Year:

The tax rates shown in Exhibit B shall be automatically adjusted on July 1 of each year, beginning on July 1, 2017 by the increase in the Consumer Price Index for all Urban Consumers for the San Francisco-Oakland Bay Area and applying that rate to the prior year amounts for each property use code category. However, the City Council reserves the right to itself the opportunity to adjust the rate in the following year if the CPI adjustment is insufficient to reimburse the City for the costs of providing levels of police services as approved by the City Council.

In no event, shall the tax per parcel for any fiscal year be less than the amount established for the previous fiscal year.

C. The taxes levied on each parcel pursuant to this Article shall be a charge upon the parcel and shall be due and collectible as set forth in Section 4, below.

Section 4. Collection and Administration.

A. Taxes as Liens Against the Property.

The amount of taxes for each parcel each year shall constitute a lien on such property, in accordance with Revenue and Taxation Code Section 2187, and shall have the same effect as an ad valorem real property tax lien until fully paid.

B. Collection.

The taxes on each parcel shall be billed on the secured roll tax bills for ad valorem property taxes and are to be collected in the same manner in which the County of Contra Costa collects secured roll ad valorem property taxes. Insofar as feasible and insofar as not inconsistent with this Ordinance, the times and procedure regarding exceptions, due dates, installment payments, corrections, cancellations, refunds, late payments, penalties, liens, and collections for secured roll ad valorem property taxes shall be applicable to the collection of this tax. Notwithstanding anything to the contrary in the foregoing, as to this tax:

- i) The secured roll tax bills shall be the only notices required for this tax, and
- ii) The homeowners and veterans exemptions shall not be applicable because such exemptions are determined by dollar amount of value.

C. Costs of Administration by County.

The reasonable costs incurred by the County officers collecting and administering this tax shall be deducted from the collected taxes.

Section 5. Severability Clause.

If any article, section, subsection, sentence, phrase of clause of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The voters of the Zone hereby declare that they would have adopted the remainder of this Ordinance, including each article, section, subsection, sentenced phrase or clause, irrespective of the invalidity of any other article, section, subsection, sentence, phrase or clause.

Section 6. Effective Date and Posting.

This Ordinance shall take effect immediately upon its confirmation by two-thirds of the voters voting within the Zone in an election to be held on April 27, 2017 so that taxes shall first be collected hereunder for the tax year beginning July 1, 2017. If not confirmed by two-thirds of the voters participating in the election, this Ordinance and the tax approved herein shall not become effective.

The foregoing ordinance was adopted with the reading waived at a regular meeting of the Oakley City Council on May 9, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

APPROVED:

ATTEST:

Sue Higgins, Mayor

Libby Vreonis, City Clerk

Date

EXHIBIT A - BOUNDARY MAP
CITY OF OAKLEY SPECIAL POLICE TAX AREA ZONE 164
CITY OF OAKLEY
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA



Laurel Rd

Cloverbrook Ave

Rose Ave

**Assessor Parcel
Number
034-290-097**

Legend

-  Zone 164 Boundary
-  Parcel Lines

CITY OF OAKLEY SCHEDULE FOR POLICE SERVICE TAX
FOR FISCAL YEAR 2016/2017

PROPERTY USE CODE CATEGORY	EXPLANATION	FY15/16 TAX PER PARCEL	FY16/17 TAX PER PARCEL
11	Single Family Residence – 1res., 1 site	\$975.84	\$1,002.18
12	Single Family Residence – 1 res., 2 or more sites	\$975.84	\$1,002.18
13	Single Family Residence – 2 res., on 1 or more sites	\$1,561.34	\$1,603.48
14	Single Family Residence – other than single fam. Land	\$975.84	\$1,002.18
15	Misc. Improvements – 1 site	\$975.84	\$1,002.18
16	Misc. Improvements – 2 or more sites	\$975.84	\$1,002.18
17	Vacant – 1 site	\$487.92	\$501.08
18	Vacant – 2 or more sites	\$487.92	\$501.08
19	Single Family Residence – Det. W/common area	\$975.84	\$1,002.18
20	Vacant – Multiple	\$487.92	\$501.08
21	Duplex	\$1,561.34	\$1,603.48
22	Triplex	\$2,342.02	\$2,405.24
23	Fourplex	\$3,122.68	\$3,206.98
24	Combinations	\$975.84	\$1,002.18
25	Apartments (5 –12 Units)	\$3,915.54	\$4,021.24
26	Apartments (13 – 24 Units)	\$10,148.68	\$10,422.68
27	Apartments (25 – 59 Units)	\$19,516.70	\$20,043.64
28	Apartments (60+ units)	\$46,840.06	\$48,104.74
29	Attached PUDs: Cluster Homes, Condos, etc.	\$975.84	\$1,002.18
30	Vacant – Commercial	\$487.92	\$501.08
31	Commercial Stores – Not Supermarkets	\$1,951.68	\$2,004.36
32	Small Grocery Stores – (7-11, etc.)	\$2,927.52	\$3,006.56
33	Office Buildings	\$1,951.68	\$2,004.36
34	Medical, Dental	\$1,951.68	\$2,004.36
35	Service Stations, Car Wash	\$1,951.68	\$2,004.36
36	Garages	\$1,951.68	\$2,004.36
37	Community Facilities (Recreational, etc.)	\$3,903.34	\$4,008.72
38	Golf Courses	\$1,951.68	\$2,004.36
39	Bowling Alleys	\$975.84	\$1,002.18
40	Boat Harbors	\$2,439.60	\$2,505.46
41	Supermarkets – (not shopping centers)	\$2,927.52	\$3,006.56
42	Shopping Centers	\$3,903.34	\$4,008.72
43	Financial Buildings – (Ins., Title, Banks, S&L)	\$975.84	\$1,002.18
44	Motels, Hotels & Mobile Home Parks	\$4,879.18	\$5,010.90
45	Theaters	\$2,195.64	\$2,254.92
46	Drive-in Restaurants	\$1,463.76	\$1,503.28
47	Restaurants	\$1,463.76	\$1,503.28
48	Multiple & Commercial	\$1,463.76	\$1,503.28
49	New Car Agencies	\$1,463.76	\$1,503.28
50	Vacant Land (not part of Ind. Park or P. & D.)	\$365.94	\$375.82
51	Industrial Park	\$2,927.52	\$3,006.56
52	Research & Development	\$1,463.76	\$1,503.28
53	Light Industrial	\$1,463.76	\$1,503.28
54	Heavy Industrial	\$1,463.76	\$1,503.28
55	Mini Warehouses (public storage)	\$2,927.52	\$3,006.56
56	Misc. Improvements	\$2,927.52	\$3,006.56
61	Rural, Res., Improvement 1A-10A	\$731.88	\$751.64
62	Rural, w/o structure 1A-10A	\$731.88	\$751.64
70	Convalescent Hospitals / Rest Homes	\$1,463.76	\$1,503.28
73	Hospitals	\$1,463.76	\$1,503.28
74	Cemeteries / Mortuaries	\$1,463.76	\$1,503.28
75	Fraternal & Service Organizations	\$1,463.76	\$1,503.28
76	Retirement Housing Complex	\$4,879.18	\$5,010.90
78	Parks & Playgrounds	\$2,927.52	\$3,006.56
85	Public & Private Parking	\$1,463.76	\$1,503.28
87	Common Area	\$1,463.76	\$1,503.28
88	Mobile Homes	\$731.88	\$751.64
89	Other (split parcels in different tax code areas)	\$731.88	\$751.64
99	Homeowner's Association Owned Common Areas	\$594.14	\$610.18

The tax rates shown in this schedule shall be automatically adjusted on July 1 of each year, beginning on July 1, 2016 by the increase in the Consumer Price Index for all Urban Consumers for the San Francisco-Oakland-Bay Area and applying that rate to the prior year amounts for each property use code category. However, the City Council reserves the right to itself the opportunity to adjust the rate in the following year if the CPI adjustment is insufficient to reimburse the City for the costs of providing levels of police services as approved by the City Council.

CALCULATION OF COST OF LIVING INCREASE	
Percent increase from FY 2015-16 in the San Francisco-Oakland-Bay Area Consumer Price Index for all Urban Consumers.	2.70%