



Office of the City Manager

CONSENT CALENDAR

June 13, 2023

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department

Subject: FY 2024 Tax Rate: Fund Emergency Services for the Severely Disabled (Measure E)

RECOMMENDATION

Adopt first reading of an Ordinance setting the FY 2024 tax rate for funding the provision of emergency services for the disabled at \$0.02018 (2.018 cents) per square foot of improvements.

FISCAL IMPACTS OF RECOMMENDATION

The tax levy of the recommended \$0.02018 will result in estimated collections of \$1,673,845 for the fund. The increase in the tax rate of \$0.00086 per square foot will result in a \$1.634 annual increase for the citywide average 1900 square foot home.

CURRENT SITUATION AND ITS EFFECTS

The FY 2023 tax of \$0.01932 is being adjusted by the Personal Income Growth of 4.440% (or \$0.00086) as the voters approved the greater of the Consumer Price Index in the immediate San Francisco Bay Area of 4.192% or Personal Income Growth increase in California of 4.440%.

It is recommended that the City Council authorize the levy of a special tax of \$0.02018 per square foot of all improvements in the City of Berkeley. The tax will result in a cost to taxpayers in the following average amounts during Fiscal Year 2024, as compared with amounts for FY 2023:

Square Feet	Annual Tax	
	FY 2023	FY 2024
1,200	\$23.18	\$24.22
1,500	28.98	30.27
1,900	36.71	38.34
3,000	57.96	60.54
3,900	75.35	78.70
10,000	193.20	201.80

BACKGROUND

The Emergency Services for the Severely Disabled Tax (Measure E) was passed by the voters in November 1998. The tax is used to provide emergency services and incidental case management for severely physically disabled persons. The City Council is authorized to increase the tax rate by the greater of the Consumer Price Index in the immediate San Francisco Bay Area or Personal Income Growth in California.

On November 3, 2020, over 81% of Berkeley voters approved Measure LL to re-authorize the City, for a period of four (4) years through FY 2024, to spend the emergency services for the severely disabled tax.

ALTERNATIVE ACTIONS CONSIDERED

The City Council may consider maintaining the current tax rate of \$0.01932 with projected revenue of \$1,630,403 and no increase to property owners. Or, the City Council may consider increasing the tax rate by the Consumer Price Index in the immediate San Francisco Bay Area of 4.192% in California. This would result in projected revenue of \$1,669,871, and an increase of \$0.63 for the citywide average 1900 square foot home.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the subject of this report.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7326

Attachments:

1: Ordinance

ORDINANCE NO. -N.S.

SETTING THE FISCAL YEAR 2024 SPECIAL TAX RATE TO FUND EMERGENCY SERVICES FOR THE SEVERELY DISABLED IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2024 Tax Rate to fund emergency services for severely disabled persons is set at \$0.02018 per square feet of improvements.

Section 2. The cost to taxpayers during FY 2024 will be \$24.22 for a 1,200 square foot home and \$60.54 for a 3,000 square foot home.

Section 3. This tax rate will result in estimated total collections of \$1,673,845.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

