



Office of the City Manager

CONSENT CALENDAR

June 10, 2014

To: Honorable Mayor and Members of the City Council

From:  Christine Daniel, City Manager

Submitted by: Robert Hicks, Director, Finance Department

Subject: FY 2015 Tax Rate: Fund Emergency Services for the Severely Disabled

RECOMMENDATION

Adopt first reading of an Ordinance setting the FY 2015 tax rate for funding the provision of emergency services for the disabled at \$0.01339 (1.339 cents) per square foot of improvements.

FISCAL IMPACTS OF RECOMMENDATION

The tax levy of the recommended \$0.01339 will result in estimated collections of \$1,052,122 for the fund. The increase in the tax rate of \$0.000363 per square foot will result in a \$0.68 annual increase for the citywide average 1900 square foot home.

CURRENT SITUATION AND ITS EFFECTS

The FY 2014 tax of \$0.01303 is being adjusted by the cost of living increase of 2.7874% in the immediate San Francisco Bay Area (or \$0.000363), as the voters approved the greater of that growth or the personal income growth in California of -.23%.

It is recommended that the City Council authorize the levy of a special tax of \$0.01339 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 2015, as compared with amounts for FY 2014:

Square Feet	Annual Tax	
	FY 2015	FY 2014
1,200	\$16.07	\$15.64
1,500	20.09	19.55
1,900	25.44	24.76
3,000	40.17	39.09
3,900	52.22	50.82
10,000	133.90	130.30

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 cost of living in the immediate San Francisco Bay Area or personal income growth in the state. On November 6, 2012, over 89% of Berkeley voters approved Measure P to re-authorize the City, for a period of four (4) years through FY 2016, to spend the emergency services for the severely disabled tax.

ALTERNATIVE ACTIONS CONSIDERED

The City Council may consider maintaining the current tax rate of .01303 with projected revenue of \$1,022,302 and no increase to property owners. Or, the City Council may consider decreasing the tax rate by the personal income growth in California of -.23%. This would result in projected revenue of \$1,021,236, and a decrease of \$.06 for the citywide average 1900 square foot home.

ENVIRONMENTAL SUSTAINABILITY

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

CONTACT PERSON

Robert Hicks, Director, Finance Department, 981-7301

Attachments:

1: Ordinance

ORDINANCE NO. -N.S.

SETTING THE FISCAL YEAR 2015 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 2015 Tax Rate to fund emergency services for severely disabled persons is set at \$0.01339 per square feet of improvements.

Section 2. The cost to taxpayers during FY 2015 will be \$16.07 for a 1,200 square foot home and \$40.17 for a 3,000 square foot home.

Section 3. This tax rate will result in estimated total collections of \$1,052,122.

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 Old City Hall, 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.

