



Office of the City Manager

CONSENT CALENDAR

June 13, 2017

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department
Gil Dong, Fire Chief, Fire Department

Subject: FY 2018 Tax Rate: Fund Fire Protection and Emergency Response and Preparedness (Measure GG)

RECOMMENDATION

Adopt first reading of an Ordinance setting the FY 2018 tax rate for funding Fire Protection and Emergency Response and Preparedness in the City of Berkeley at the rate of \$0.05396 (5.396 cents) per square foot of improvements for dwelling units and setting the rate for all other property at \$0.08165 (8.165 cents) per square foot of improvements.

FISCAL IMPACTS OF RECOMMENDATION

The tax levy of the recommended \$0.05396 per square foot of improvements for dwelling units and \$0.08165 per square foot of improvements for all other properties are being adjusted by the annual cost of living increase in the immediate San Francisco Bay Area of 3.789%. This will result in estimated collections of \$4,812,892 for the fund. The increase in the tax rate of \$0.00197-per square foot of improvements for dwelling units and \$0.00298 for all other property will result in a \$3.74 annual increase for the citywide average 1900 square foot dwelling and \$5.67 for all other property.

CURRENT SITUATION AND ITS EFFECTS

The FY 2017 tax rates of \$0.05199 for dwelling units and \$0.07867 for all other property are being adjusted by 3.789%. The per capita personal income growth in California was reported at 3.69%, and the annual cost of living increase in the immediate San Francisco Bay Area was reported at 3.789%. The voters approved increasing the Measure GG tax rate annually by up to the greater of the annual cost of living increase in the immediate San Francisco Bay Area or the per capita personal income growth in California. At their regular meeting on May 24, 2017, the Disaster and Fire Safety Commission voted unanimously to recommend to increase the Measure GG tax rate by the Consumer Price Index rate of 3.789%.

It is recommended that the City Council authorize the levy of a special tax of \$0.05396 per square foot for dwelling units and \$0.08165 for all other property in the City of

Berkeley. The tax will result in an increase in cost to taxpayers in the following average amounts during FY 2018, as compared with amounts for FY 2017:

FY 2018

Square Feet	Dwelling Units	All Other Properties
1,200	\$64.75	\$97.98
1,500	80.94	122.48
1,900	102.52	155.14
3,000	161.88	244.95
3,900	210.44	318.44
10,000	539.60	816.50

FY 2017

Square Feet	Dwelling Units	All Other Properties
1,200	\$62.38	\$94.40
1,500	77.98	118.00
1,900	98.78	149.47
3,000	155.96	236.01
3,900	202.75	306.81
10,000	519.87	786.69

BACKGROUND

In the November 2008 election, Berkeley voters approved Measure GG, which authorized the levying of a special tax. The tax proceeds will be used first to eliminate rotating closures of operating fire stations, and to provide advanced life support personnel (paramedics) and equipment on all first responder vehicles (ambulances, fire engines and ladder trucks). The funds would also be used to (1) hire a training officer to provide Emergency Medical Service training for first responders; (2) hire staff to conduct Community Emergency Response Training and other similar public disaster training and preparedness efforts and for neighborhood emergency preparedness caches; and (3) to acquire and maintain equipment to enhance emergency preparedness, including equipment to allow compatible radio communications throughout the City and with outside public safety agencies. On November 8, 2016, over 87% of Berkeley voters approved Measure V1 to re-authorize the City, for a period of four (4) years through FY 2020, to spend the Fire Protection and Emergency Response and Preparedness tax.

ALTERNATE CONSIDERATIONS

The City Council may consider adjusting the current recommended tax rate of \$0.05199 per square foot of improvements for dwelling units and \$0.07867 per square foot of improvements for all other property by the per capita income growth in California of 3.690%. The increase in the tax rate of \$0.00192 per square foot of improvements for dwelling units and \$0.00290 for all other property will result in a \$3.65 annual increase for the citywide average 1900 square foot dwelling and \$5.52 for all other property.

ENVIRONMENTAL SUSTAINABILITY

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

CONTACT PERSON

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Gil Dong, Fire Chief, 981-5500

Attachments:

1: Ordinance

ORDINANCE NO. #,###-N.S.

SETTING THE FISCAL YEAR 2018 SPECIAL TAX RATE TO FUND FIRE PROTECTION AND EMERGENCY RESPONSE AND PREPAREDNESS (MEASURE GG) IN THE CITY OF BERKELEY

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

Section 1. The FY 2018 Tax Rate for the Fire Protection and Emergency Response and

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\$0.05396 per square foot of improvements for dwellings

\$0.08165 per square foot of improvements for all other properties

Section 2. The cost to taxpayers during FY 2018 will be \$64.75 for a 1,200 square foot dwelling and \$161.88 for a 3,000 square foot dwelling.

Section 3. This tax rate will result in estimated total collections of \$4,812,892.

Section 4. The tax imposed by this ordinance does not apply to any property owner whose total personal income, from all sources for the previous calendar year, does not exceed that level which shall constitute a very low income, as established by resolution of City Council.

Section 5. 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.