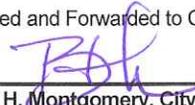


STAFF REPORT

Date: Tuesday, June 14, 2016
To: Bryan H. Montgomery, City Manager
From: Kevin Rohani, Public Works Director/City Engineer
SUBJECT: Amend Tax Area Zone 157 Boundaries, Ratify Election and Adopt Ordinance No. 08-16 Authorizing the Levy of a Special Tax on Parcels of Land within Amended Tax Area Zone 157 within the Oakley Special Police Tax Area for Police Protection Services for Phase 1 of Subdivision 9027 (Duarte Ranch)

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

Background and Analysis

On May 8, 2006 the City Council adopted Resolution 76-06 approving the Vesting Tentative Map for Subdivision 9027 which consists of 103 single-family lots and a 2.1-acre public park (Phase 1) and 13 single-family lots (Phase 2). Subdivision 9027 is located on the south side of Laurel Road and east of the future extension of Rose Avenue.

The Conditions of Approval for Subdivision 9027 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 for Phase 1 of Subdivision 9027 (Duarte Ranch) requested that the City assist with annexing Phase 1 of Subdivision 9027 into the Oakley Special Police Tax Area. The property owner for Phase 2 of Subdivision 9027 (Duarte Ranch) does not intend to develop at this time which requires an amendment to the current boundaries of Tax Area Zone 157. This amendment will remove Assessor Parcel Nos. 034-260-025 & 034-260-026 from the boundaries of Tax Area Zone 157. When the property owner for Phase 2 of Subdivision 9027 (Duarte Ranch) is ready to develop, the City will assist with the annexation of their property to the Oakley Special Police Tax Area for Police Protection Services

On April 26, 2016, the City Council introduced Ordinance No. 08-16 which would authorize a special tax for police services within Tax Area Zone 157 subject to property owner voter approval. On May 26, 2016 the City Clerk conducted the property owner election. There was one (1) ballot issued to the property owner representing Phase 1 of Subdivision 9027 (Duarte Ranch). The City Clerk tabulated the property owner ballot and 100% of the property owners were in favor of annexing

Phase 1 of Subdivision 9027 into the Oakley Special Police Tax Area as Tax Area Zone 157.

Fiscal Impact

There will be no financial impact to the City's General Fund. The applicant has funded all costs associated with the annexation of Tax Area Zone 157 to the Oakley Special Police Tax Area. The FY 2015-16 special tax rate per single family parcel is \$975.84 and \$487.92 per undeveloped parcel. Therefore, successful creation of the zone could provide up to \$100,511.52 (in FY 2015-16 dollars) in revenue annually when all of the units are occupied. The taxes will be collected on the property tax rolls commencing in FY 2016-17.

Recommended Action

Staff recommends that the City Council amend the boundaries of Tax Area Zone 157, ratify the election and adopt Ordinance No. 08-16 authorizing the levy of a special tax on parcels of land within Tax Area Zone 157 of the Oakley Special Police Tax Area for Police Protection Services for Phase 1 of Subdivision 9027 (Duarte Ranch).

Attachments

- 1) Resolution No. __-16, Amending Tax Area Zone 157 Boundaries
- 2) Amended Boundary Map for Tax Area Zone 157
- 3) One (1) Ballot
- 4) Ordinance No. 08-16

CITY OF OAKLEY

RESOLUTION NO. __-16

A RESOLUTION AMENDING OAKLEY SPECIAL POLICE TAX AREA ZONE 157 BOUNDARIES WITHIN THE OAKLEY SPECIAL POLICE TAX AREA FOR SUBDIVISION 9027 TO ESTABLISH A SPECIAL TAX FOR POLICE PROTECTION SERVICES

WHEREAS, it is the intention of the City Council to amend Oakley Special Police Tax Area Zone 157 (Zone 157) within the Oakley Special Police Tax Area, which was previously created by the adoption of Resolution No. 51-16 on April 26, 2016, by removing Assessor Parcel Nos. 034-260-025 & 034-260-026; and

WHEREAS, it is the intention of the City Council to adopt an ordinance establishing a special tax for police services within the amended Zone 157; and

WHEREAS, the City recognizes the need for increased police protection services within amended Zone 157 and the difficulty of funding the current or increased level of police services with revenues now available; and

WHEREAS, on May 8, 2006 the City Council adopted Resolution 76-06 approving the Subdivision 9027, which consists of 103 single-family lots and a 2.1-acre public park (Phase 1) and 13 single-family lots (Phase 2) located on the south side of Laurel Road and east of the future extension of Rose Avenue. The Conditions of Approval for Subdivision 9027 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 for Phase 1 of Subdivision 9027 (Duarte Ranch) has requested that the City assist with annexing of Phase 1 of Subdivision 9027 into the Oakley Special Police Tax Area. The property owner for Phase 2 of Subdivision 9027 (Duarte Ranch) does not intend to develop in the near future and will not be annexed into Oakley Special Police Tax Area at this time. The initial annual special tax rate is \$975.84 per single-family parcel and \$487.92 per undeveloped parcel (all FY 2015-16 rates) per the rate schedule that was adopted by the City Council on March 22, 2004, by Resolution No. 26-04; and

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

WHEREAS, under Government Code section 53978 and for the purposes of this Resolution, a "voter" entitled to vote on the creation of Zone 157 is a person who owns real property within Zone 157 at the time Ordinance No. 08-16 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 modified as amended Zone 157 of the Oakley Special Police Tax Area.
3. Amended Zone 157 of the Oakley Special Police Tax Area shall not be created, and the tax authorized in Ordinance No. 08-16 shall not be imposed if the Ordinance is not approved by two-thirds of the voters participating in the election called in Ordinance No. 08-16.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the June 14, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

APPROVED:

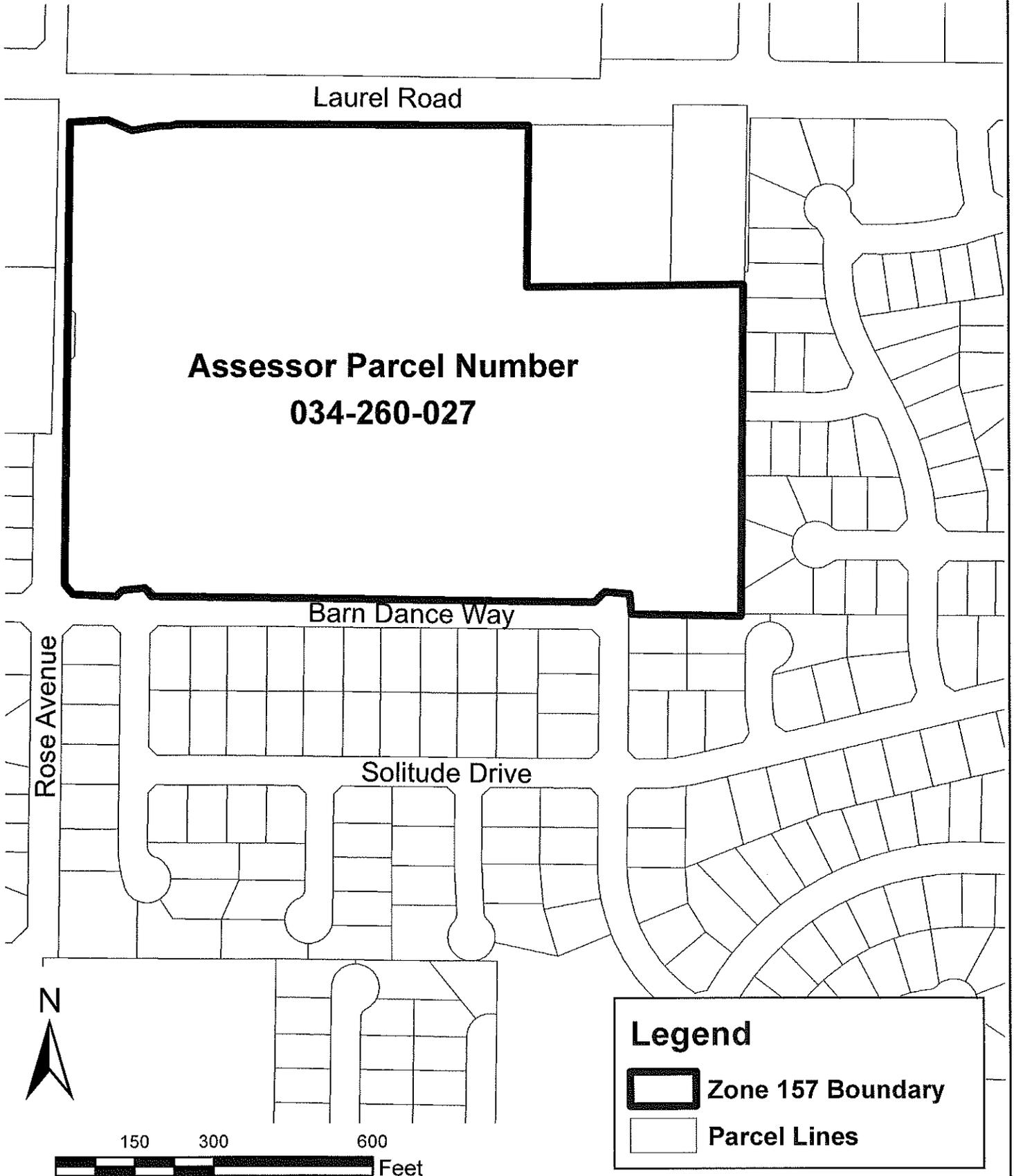
ATTEST:

Kevin Romick, Mayor

Libby Vreonis, City Clerk

Date

EXHIBIT A - AMENDED BOUNDARY MAP
CITY OF OAKLEY SPECIAL POLICE TAX AREA ZONE 157
CITY OF OAKLEY
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA







April 28, 2016

Richard D. Sestero, Project Manager
Albert D. Seeno Construction Co.
4021 Port Chicago Highway
Concord, CA 94520-1134

**Subject: Special Police Tax Area Ballot for Authorizing an Annual Special Tax Levy on
Parcels within Zone 157 (Subdivision 9027) of the Oakley Special Police Tax
Area District**

Dear Mr. Richard Sestero;

Conditions of approval for Subdivision 9027 require the property owner to augment the financial impact that their development project has on the City's police services budget. One option to satisfy this condition is to annex your Subdivision 9027 into the existing Oakley Special Police Tax Area District ("District") and authorize the levy of an annual special tax on those parcels for police services.

On April 26, 2016, the Oakley City Council created Zone 157 within the District which consists of parcels located within Subdivision 9027. In addition, on April 26, 2016, the Oakley City Council introduced Ordinance No. 08-16 which called for an election to authorize the levy of an annual special tax on the parcels within Zone 157. The election will be held on May 26, 2016 at the City Clerk's Office. Please find enclosed your ballot to authorize a special tax to be levied on the parcels located in Zone 157 of the Oakley Special Police Tax Area. Please complete and return the ballot to: Kevin Rohani, Public Works Director/City Engineer, City of Oakley, 3231 Main Street, Oakley, CA 94561 before the election deadline of 5:00 p.m. on May 26, 2016. We have enclosed a return envelope for your convenience. Please provide ample time for the Post Office to deliver the ballot by the 5:00 pm deadline on May 26, 2016.

Please contact me at the number below if you have any questions.

Sincerely,
FRANCISCO & ASSOCIATES, INC.

Joseph A. Francisco, P.E.
Principal

Enclosures

130 Market Place, Suite 160 ~ San Ramon, CA 94583
(925) 867-3400 ~ fax (925) 867-3415

SPECIAL POLICE TAX AREA BALLOT
CREATING ZONE 157 FOR SUBDIVISION 9027 (DUARTE RANCH)

Assessor's Parcel Number: 034-260-027

Record Owner: Albert D. Seeno Construction Co., a California Limited Partnership

Address: 4021 Port Chicago Highway
Concord, CA 94520-1134

Shall Ordinance No. 08-16 of the City Council of the City of Oakley be approved so as to authorize a special tax on property located in Zone 157 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 \$975.84 per single family parcel and \$487.92 per vacant parcel (all FY 2015-16 rates) per the current rate schedule. I also acknowledge that the tax rate can be adjusted annually as described in Ordinance No. 08-16.

_____ Yes, Ordinance No. 08-16 shall be approved.

_____ No, Ordinance No. 08-16 shall not be approved.

Signature of Authorized Representative for
Albert D. Seeno Construction Co.

Printed Name

Title

CITY OF OAKLEY

ORDINANCE NO. 08-16

**AN ORDINANCE OF THE CITY OF OAKLEY ESTABLISHING
OAKLEY SPECIAL POLICE TAX AREA ZONE 157 WITHIN
THE OAKLEY SPECIAL POLICE TAX AREA FOR A SPECIAL
TAX FOR POLICE PROTECTION SERVICES FOR
SUBDIVISION 9027**

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 parcels of real property on the secured property tax roll of Contra Costa County that are within Oakley Special Police Tax Area Zone 157 (Subdivision 9027) 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 157.

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, measured currently using its contract with the Contra Costa County Sheriff's Department. 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. "Actual Cost of Services" means the estimated fully-loaded average cost for the positions of police officer, Sergeant and Lieutenant [or comparable positions while the City contracts for police services with Contra Costa County] as provided to the City by the Contra Costa County Sheriff's Department during or about March of each calendar year.

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

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

E. Oakley Special Police Tax Area Zone 157 (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.

F. "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 and boundaries of Zone 157 nor any land or improvements owned by any governmental entity.

G. 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, 2015 through June 30, 2016) 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:

In order to keep the tax on each parcel in constant first year dollars for each fiscal year subsequent to the first fiscal year, the tax per year shall be adjusted as set forth below to reflect any increase in the Actual Cost of Services beyond the first fiscal year the tax is levied.

In June or July of each year, City Council shall determine the amount of taxes to be levied upon the parcels in the Zone for the then current fiscal year as set forth below.

For each Property Use Category on Exhibit B, the tax per year on each parcel for each fiscal year subsequent to the first fiscal year shall be an amount determined as follows:

$$\begin{array}{l} \text{Tax Per Parcel} \\ \text{For then Current} \\ \text{Fiscal Year} \end{array} = \begin{array}{l} \text{Tax Per Parcel} \\ \text{For First} \\ \text{Fiscal Year} \end{array} \times \begin{array}{l} \text{(Actual Cost of Services} \\ \text{for immediately} \\ \text{Preceding Fiscal Year)} \\ \text{(Actual Cost of Services} \\ \text{for First Fiscal Year} \\ \text{of Levy)} \end{array}$$

Provided, however, that in no event shall the tax per parcel for any fiscal year be less than the amount established for the first 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 or 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 May 26, 2016 so that taxes shall first be collected hereunder for the tax year beginning July 1, 2016. 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 June 14, 2016 by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

APPROVED:

Kevin Romick, Mayor

ATTEST:

Libby Vreonis, City Clerk

Date