



STAFF REPORT

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

Date: Tuesday, May 9, 2017
To: Bryan H. Montgomery, City Manager
From: Kevin Rohani, Public Works Director/City Engineer
SUBJECT: Ratify Election: Adopt Ordinance No. 04-17 Authorizing the Levy of a Special Tax on Parcels of Land within Tax Area Zone 163 within the Oakley Special Police Tax Area for Police Protection Services for Subdivision No. 9043 (Aspen Lane)

Background and Analysis

On September 27, 2016, City Council conditionally approved the Tentative Map Extension for Subdivision 9043 (Aspen Lane). The approved Tentative Map consists of approximately 5 acres subdivided into 16 single-family homes located at the northeast corner of Empire Avenue and Carpenter Road.

The Conditions of Approval for Subdivision 9043 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 9043 have requested that the City assist with annexing Subdivision 9043 into the Oakley Special Police Tax Area.

On March 28, 2017, the City Council introduced Ordinance No. 04-17 which would authorize a special tax for police services within Zone 163 subject to property owner voter approval. On April 27, 2017, the City Clerk conducted the property owner election. There was one (1) ballot issued to the property owner representing Subdivision 9043 (Aspen Lane). The City Clerk tabulated the property owner ballot and 100% of the property owners were in favor of annexing Subdivision No. 9043 (Aspen Lane) into the Oakley Special Police Tax Area as Zone 163.

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 163 to the Oakley Special Police Tax Area. The FY 2016-17 special tax rate per single family parcel is \$1,002.18 and \$501.08 per undeveloped parcel. Therefore, successful creation of Zone 163 could provide up to \$16,034.88 (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.

Recommended Action

Staff recommends that the City Council ratify the election and adopt Ordinance No. 04-17 authorizing the levy of a special tax on parcels of land within Tax Area Zone 163 within the Oakley Special Police Tax Area for Police Protection Services for Subdivision No. 9043 (Aspen Lane).

Attachments

- 1) One (1) Signed Ballot
- 2) Ordinance No. 04-17
 - a. Exhibit A – Boundary Map for Police Tax Area Zone 163
 - b. Exhibit B – Tax Rate Schedule for Fiscal Year 2016-17

SPECIAL POLICE TAX AREA BALLOT
CREATING ZONE 163 FOR SUBDIVISION 9043

Assessor's Parcel Number: 034-020-010

Record Owner: Discovery Builders, Inc.

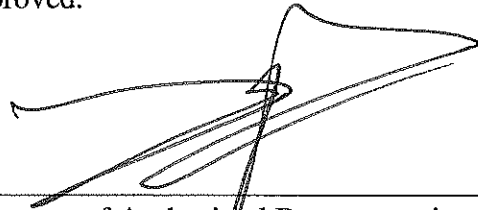
Address: 4061 Port Chicago Hwy, Suite H
Concord, CA 94520

Shall Ordinance No. 04-17 of the City Council of the City of Oakley be approved so as to authorize a special tax on property located in Zone 163 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 parcel for Single Family Residence (FY 2016-17 rates) per the current rate schedule. I also acknowledge that the tax rate can be adjusted annually as described in Ordinance No. 04-17.

X

Yes, Ordinance No. 04-17 shall be approved.

No, Ordinance No. 04-17 shall not be approved.



Signature of Authorized Representative for
Discovery Builders, Inc.

Louis Parsons

Printed Name

president

Title

CITY OF OAKLEY

ORDINANCE NO. 04-17

**AN ORDINANCE OF THE CITY OF OAKLEY ESTABLISHING
OAKLEY SPECIAL POLICE TAX AREA ZONE 163 WITHIN THE
OAKLEY SPECIAL POLICE TAX AREA FOR A SPECIAL TAX
FOR POLICE PROTECTION SERVICES FOR SUBDIVISION
9043 (ASPEN LANE)**

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 034-020-010 of real property on the secured property tax roll of Contra Costa County that is within Oakley Special Police Tax Area Zone 163 (Subdivision 9043) 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 163.

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 163 (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 163 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:
ABSTENTIONS:
ABSENT:

APPROVED:

Sue Higgins, Mayor

ATTEST:

Libby Vreonis, City Clerk

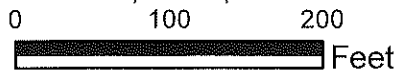
Date

EXHIBIT A - BOUNDARY MAP
CITY OF OAKLEY SPECIAL POLICE TAX AREA ZONE 163
CITY OF OAKLEY
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA



Empire Ave

Assessor Parcel Number
034-020-010

Carpenter Rd



Legend

-  Zone 163 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 -- 1 res., 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/or 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%