



Office of the City Manager

CONSENT CALENDAR

June 30, 2020

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department
Dave Brannigan, Fire Chief, Fire Department

Subject: FY 2021 Tax Rate: Fund Fire Protection and Emergency Response and Preparedness (Measure GG)

RECOMMENDATION

Adopt first reading of an Ordinance setting the FY 2021 tax rate for funding Fire Protection and Emergency Response and Preparedness in the City of Berkeley at the rate of \$0.05818 (5.818 cents) per square foot of improvements for dwelling units and setting the rate for all other property at \$0.08804 (8.804 cents) per square foot of improvements with no increase in tax rate.

FISCAL IMPACTS OF RECOMMENDATION

The tax levy of the recommended \$0.05818 per square foot of improvements for dwelling units and \$0.08804 per square foot of improvements for all other properties will not be adjusted by the Personal Income Growth of 3.730% or the Consumer Price Consumer Index of 1.110%. This will result in estimated collections of \$5,210,740 for the fund. The same tax rate will result in no increase in the citywide average 1900 square foot dwelling and same for all other property.

CURRENT SITUATION AND ITS EFFECTS

The FY 2020 tax rates of \$0.05818 for dwelling units and \$0.08804 for all other property will not be adjusted by the per capita Personal Income Growth in California that was reported at 3.73%, or the Consumer Price Index (CPI) increase in the immediate San Francisco Bay Area was reported at 1.110%. The voters approved increasing the Measure GG tax rate annually by up to the greater of the Consumer Price Index increase in the immediate San Francisco Bay Area or the per capita Personal Income Growth in California. At their regular meeting on June 11, 2020, the Disaster and Fire Safety Commission voted not to recommend any increase for Measure GG.

It is recommended that the City Council authorize the levy of a special tax of \$0.05818 per square foot for dwelling units and \$0.08804 for all other property in the City of Berkeley. The tax will result in same cost to taxpayers in the following average amounts during Fiscal Year 2021, as compared with amounts for FY 2020, no increase:

FY 2021

Square Feet	Dwelling Units	All Other Properties
1,200	\$69.81	\$105.64
1,500	87.27	132.06
1,900	110.54	167.27
3,000	174.54	264.12
3,900	226.90	343.35
10,000	581.80	880.40

FY 2020

Square Feet	Dwelling Units	All Other Properties
1,200	\$69.81	\$105.64
1,500	87.27	132.06
1,900	110.54	167.27
3,000	174.54	264.12
3,900	226.90	343.35
10,000	581.80	880.40

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 \$0.05818 per square foot of improvements for dwelling units and \$0.08804 per square foot of improvements for all other property by the Personal Income Growth in California of 3.730% with projected revenue of \$5,405,101, or by the Consumer Price Index in the immediate San Francisco Bay Area of 1.110% with projected revenue of \$5,268,579.

ENVIRONMENTAL SUSTAINABILITY

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

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7301
Dave Brannigan, Fire Chief, 981-5500

Attachments:

1: Ordinance

ORDINANCE NO. -N.S.

SETTING THE FISCAL YEAR 2021 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 2021 Tax Rate for the Fire Protection and Emergency Response and Preparedness (Measure GG) is set at:

\$0.05818 per square foot of improvements for dwellings
\$0.08804 per square foot of improvements for all other properties

Section 2. The cost to taxpayers during FY 2021 will be \$69.81 for a 1,200 square foot dwelling and \$174.54 for a 3,000 square foot dwelling.

Section 3. This tax rate will result in estimated total collections of \$5,210,740.

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 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.