

**CITY OF OAKLAND MEASURE NN****NN**

**MEASURE NN:** To provide more police services to neighborhoods and businesses for the purpose of preventing crime and enhancing resources for investigation of crimes, shall the City of Oakland authorize a parcel tax to fund the cost of (1) adding a total of 105 police officers and 75 police services technicians; (2) a crime data management system for crime analysis; and (3) mandatory independent annual audits and evaluations with performance standards?

**YES****NO**

**CITY ATTORNEY'S BALLOT TITLE AND  
SUMMARY OF MEASURE NN  
BALLOT TITLE:**

The 2008 Oakland Police Services Expansion Measure. A Proposed Ordinance Creating A Special Parcel Tax To Increase Police Personnel and Add A Data Management System

**BALLOT SUMMARY:**

This measure authorizes a new special parcel tax. This tax funds additional police personnel costs for the purpose of maintaining and enhancing police services and programs to prevent crime in the City of Oakland.

Tax revenues must be placed in a special fund and expended only to:

## A. Increase police personnel as follows:

1. Add 35 police officers and add 25 police services technicians in Fiscal Year (FY) 2009-10. (FY is July 1<sup>st</sup> through June 30<sup>th</sup>.)
2. Add 35 police officers and add 25 police services technicians in FY 2010-11, cumulatively 70 additional police officers and 50 police services technicians.
3. Add 35 police officers and add 25 police services technicians in FY 2011-12, cumulatively 105 additional police officers and 75 police services technicians.
4. Cover cost of 105 police officers and 75 police services technicians in each subsequent FY.

## B. Data management system to analyze crime statistics.

## C. Annual audits, evaluation, and engineering.

## D. Cover personnel costs such as recruitment, salaries, benefits, and training.

The annual tax rate is set as follows:

## A. Per single family residential parcel:

FY 2009-10: \$113.42

FY 2010-11: \$184.87

FY 2011-12 and each subsequent FY: \$275.56

Low income parcels are exempted.

## B. Multiple Residential Unit Parcels (per unit):

FY 2009-10: \$77.49

FY 2010-11: \$126.30

FY 2011-12 and each subsequent FY: \$188.26

Owners of units vacant for at least six months may request a 50% reduction.

C. For non-residential parcels, the tax is calculated by multiplying a parcel's Single Family Residential Unit Equivalents ("SFE") times the tax rate. SFE is based on frontage and square footage, specified in Ordinance Part 3, Section 2(C).

FY 2009-10: \$58.09 per SFE

FY 2010-11: \$94.68 per SFE

FY 2011-12 and each subsequent FY: \$141.13 per SFE

The parcel tax cannot be imposed unless minimum staffing requirements are met. Whether the City meets minimum staffing requirements is determined as follows: (1) Each FY the Council determines the number of currently employed police officers ("annual determination"); (2) The tax may be imposed for the following FY only, if the number of police officers currently employed on the annual determination date meets minimum staffing requirements; (3) Minimum staffing requirement is 803 officers currently employed on the annual determination date while the Violence Prevention and Public Safety Act of 2004 is in effect; otherwise the minimum staffing requirement is 740 officers.

If the City meets the minimum staffing requirements, it may impose the FY 2009-10 tax rates. The City can increase the rate to the FY 2010-11 levels only, if 35 additional officers are currently employed on the annual determination date. The City can increase the rate to the FY 2011-12 level only, if additional 35 officers are currently employed (cumulatively 70 additional police officers) on the annual determination date. Once the rates are increased to the FY 2011-12 rates, rates are effective provided the minimum staffing requirements are met.

\* Annual independent audits and outside evaluations are required.

s/JOHN RUSSO

City Attorney

## **CITY ATTORNEY'S IMPARTIAL LEGAL ANALYSIS OF MEASURE NN**

This measure would impose a "special tax" on Oakland property owners to fund the cost of additional police personnel and a criminal data management system. The measure's effective date is July 1, 2009. State law requires 2/3 voter approval to pass a special tax. This tax is calculated in compliance with the state's constitutional requirements.

### Use of Proceeds

State law mandates that the City may expend a "special" tax only for the uses specified in the measure. This measure's specified purposes are to: (1) add 105 police officers and 75 police services technicians, including the full staffing of the criminal investigations unit, (2) add a data management system to analyze crime statistics, (3) perform annual independent audits, evaluation and engineering services and (4) pay additional police personnel costs such as salary, benefits, recruitment, police academy and training and support staff. (Administrative costs are limited to 20% of the total annual appropriation of the tax proceeds).

### Minimum Staffing

The City may impose the tax only if the City meets the measure's minimum staffing requirements. Each year, the City Council will determine how many police officers are currently employed ("annual determination"). If, on the date of the annual determination, the City is employing less than 740 officers, the City may not impose the next FY tax. While the Violence Prevention and Public Safety Act of 2004 is in effect, the minimum staffing number is 803 officers. For example, the City may impose the parcel tax for FY 2009-10 only if on the date of the Council's annual determination the City is currently employing at least 803 officers.

### Tax Rate Increases

The City may increase the parcel tax to the FY 2010-11 rates only, if on the date of the Council's annual determination, 35 additional officers are employed. The City may increase the parcel tax to the FY 2011-12 rates only, if on the date of the Council's annual determination, an additional 35 officers are employed (a cumulative total of 70 additional police officers). After the City imposes a parcel tax rate, that rate remains in effect unless the City fails to employ 803 or 740 police officers on the date of the Council's annual determination, as discussed above.

The parcel tax rates imposed by this measure are maximum rates, with one exception: the City Council has the authority to annually increase the parcel tax by the lesser of the percentage increase in the Consumer Price Index (CPI) or 7%.

### Penalties

Any owner who fails to perform the obligations imposed by this measure is guilty of a misdemeanor. The measure provides an administrative appeal for persons who are not satisfied with any decision by the City.

### Exemptions

The measure exempts owners of undeveloped parcels and owners of single family residential units who reside in the unit, if the family qualifies as a "very-low income"

family under Section 8 of the United States Housing Act of 1937 (42 U.S.C. section 1437, et. seq.).

s/JOHN RUSSO

City Attorney

# CITY AUDITOR'S IMPARTIAL FINANCIAL ANALYSIS OF MEASURE NN

## SUMMARY

This measure authorizes the City of Oakland to collect a special tax on parcels in order to fund increased police staffing and to add a data management system. These funds will be used to:

1. Add 35 police officers and 25 police service technicians in each of fiscal years (FY) 2009-10, 2010-11, and 2011-12. The measure also allows the City to use the tax proceeds to fund these additional 105 officers and 75 technicians in subsequent fiscal years. The table below illustrates the total officers and technicians that will be employed each year.

	Police Officers	Technicians
FY 2009-10	35	25
<b>Year 1 Cumulative Total</b>	<b>35</b>	<b>25</b>
FY 2010-11	35	25
<b>Year 2 Cumulative Total</b>	<b>70</b>	<b>50</b>
FY 2011-12	35	25
<b>Year 3 Cumulative Total</b>	<b>105</b>	<b>75</b>

2. Fully staff the criminal investigations unit.
3. Cover costs related to employing additional police officers and police service technicians such as recruitment, training, and administrative costs.
4. Maintain a data management system to gather and analyze crime statistics.

The City cannot collect the special tax unless it employs at least 740 officers. While the Violence Prevention and Public Safety Act of 2004 (Measure Y) or a renewal of Measure Y is in effect, the City cannot collect the tax unless it employs at least 803 officers.

The measure requires an independent annual audit to assure accountability and proper disbursement of the proceeds of the taxes, and an annual evaluation which includes performance standards, the rate of crime reduction achieved, response to crime reports, and community policing.

## FINANCIAL IMPACT

The City projects that it needs the following revenues each fiscal year to meet the expenditure requirements of the measure:

FY 2009-10	\$16,892,161
FY 2010-11	\$27,533,559
FY 2011-12	\$41,040,237

Each parcel will be taxed at the rates below.

Parcel	FY 2009-10	FY 2010-11	FY 2011-12 (and subsequent years)
Single Family Residential	\$113.42	\$184.87	\$275.56
Multiple Residential Unit	\$77.49	\$126.30	\$188.26
Non-Residential	\$58.09	\$94.68	\$141.13

For non-residential parcels, the tax is calculated by multiplying a parcel's Single Family Residential Unit Equivalents times the tax rate.

The City cannot impose the higher tax rates to the FY 2010-11 levels unless it employs the additional 35 officers. The City cannot impose the higher tax rates to the FY 2011-12 levels unless it employs the additional 35 officers for a cumulative of 70 officers.

The measure allows the annual tax rate to be increased if City Council determines that an increase has occurred in the cost of living in the San Francisco Bay Area, as shown on the Consumer Price Index (CPI) for the San Francisco Bay Area as published by the U.S. Department of Labor. The increase is limited to the lesser of the increase in the CPI or 7%.

Based on our analysis of the data provided by City staff, the projected revenues, including cost of living increases appear reasonable to support the expenditure requirements. We relied on the best data available at this time, however actual results may vary from our estimates.

s/COURTNEY A. RUBY, CPA

City Auditor

## ARGUMENT IN FAVOR OF MEASURE NN

### Vote yes on Measure NN

Measure NN is necessary. Oakland has experienced unacceptable rates of crime and violence that affect families, businesses, and the city's overall quality of life. Preventing violence and ensuring public safety requires that police services be adequately staffed. Current limited police staff significantly impacts the Oakland Police Department's ability to rapidly respond to calls for service and thoroughly investigate crimes.

Measure NN is attainable and sustainable. This measure would add 35 police officers and 25 police services technicians each year for three years – a total increase of 105 police officers and 75 police services technician positions. With additional new officers, the Oakland Police Department can reduce response times to calls for service, eliminate the significant backlog in investigations, and conduct more efficient analyses leading to more arrests and convictions of those persons committing crimes. These increased resources will be particularly important for improving child abuse, sexual assault, gang-related violence, and juvenile crime investigations.

Measure NN is forward looking. More police officers will allow more resources to be dedicated to prevention and education to keep communities safe and youth away from violence and crime. Police will have increased capacity to utilize real-time data and information to prevent crimes, as well as quickly respond to crimes in progress. Additional crime analysts will help area commanders and investigators identify trends, and patterns of criminal behavior to better focus on prevention and apprehension. They will assist investigators prepare for interviews with suspects and provide information that could lead to the recovery of stolen property. This proposal requires mandatory independent annual audits and evaluations with performance standards to measure the program's success.

Join us in voting Yes on Measure NN.

s/Ronald V. Dellums

Mayor of Oakland

s/Larry E. Reid

Vice Mayor

s/Wayne G. Tucker

Oakland Police Chief

s/Dick Spees

Former Oakland Councilmember

s/Nola Brantley

Co-Founder, Misse, Inc.

## REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE NN

Nobody disputes that Oakland has a public-safety crisis and inadequate police services. Oakland also has some of the highest taxes in the Bay Area. Most Oaklanders agree that the time to reform City Hall and fix Oakland is NOW!! It is **not** the time to increase your taxes.

Proponents of Measure NN say that more police officers will result in improved police services. However, in the last year, Oakland has added approximately 100 more officers and response rates have not improved. In fact, **CRIME HAS INCREASED AND ARRESTS HAVE DECREASED.**

Measure NN is **not** necessary. With a complete audit, performance standards for all employees, and a reduction in fraud and waste, we can find additional money, reprioritize our spending and hire more police.

Measure NN is attainable but **not** sustainable. Anything is attainable when we keep going back to tax you. Politicians are good at taxing residents but this is not sustainable. Public safety is a basic municipal function. At some point, city hall has to clean up its own house. That time is now.

Measure NN is **not** forward looking. What IS forward looking is to set performance standards for all City departments and ensure that our city is operating at maximum efficiency. Until we do this, we won't know if we're using your tax dollars wisely, and you shouldn't pay more.

City Hall needs to clean its own house before taxing yours. **TAX HIKES ARE BUSINESS AS USUAL, NOT LEADERSHIP.** Vote no on Measure NN.

s/Brendan J. Mulholland

Community Policing Advisory Board

s/Carlos Plazola

President, Oakland Builder's Alliance

s/Colleen Brown

Community Policing Advisory Board  
(former member)

s/Charles Porter

S.P.A.G.G.I.A.

s/Josephine J. Lee

NCPC Beat 10X Vice Chairman



## ARGUMENT AGAINST MEASURE NN

Government responsibility must not be shifted to Oakland's residents in these tight economic times or at any time. Until City Hall is more accountable with the special taxes you already pay, we shouldn't ask for more money. In 2004, you were asked to pass Measure Y which promised community policing officers in all neighborhoods and full staffing of the police department; to date you don't have either.

An adequate police force is one of the most basic services that city government must provide **WITHOUT** the imposition of special taxes. In addition to the tax you already pay for Measure Y, this measure will impose a new tax of \$113 per single family home during the first year and it more than doubles to **\$276** by the third year. Oakland is in the top 20 cities in the nation with foreclosed homes. This additional tax burden has the potential to push struggling families in tight financial situations over the edge.

This is an extremely expensive and hastily written tax measure that does not contain a sunset clause, meaning we will **PAY FOR THIS TAX FOREVER** regardless of future budget conditions.

If public safety is **TRULY** our #1 priority, Oakland's city government must find creative ways to increase the number of sworn officers on the streets. Instead of pushing residents to pay additional taxes we need true reform that addresses existing inefficiencies and wasteful spending.

We cannot afford to further erode the public trust. Requiring payment of yet another high priced tax without clear oversight, accountability, and attainable deliverables would echo the failure of Measure Y – a failure too costly to repeat. Vote **NO** on more taxes without good government.

Please join thousands of your fellow Oaklanders and Vote **No on Measure NN.**

s/Ignacio De La Fuente  
Oakland City Council President

s/Desley Brooks  
Oakland City Councilmember, District 6

s/Charles Pine  
Co-Founder Oakland Residents for Peaceful  
Neighborhoods

s/Deirdre Strickland-Meads  
Former Measure Y Oversight Committee Member

s/Enoch Shin  
Oakland Small Business Owner

## REBUTTAL TO ARGUMENT AGAINST MEASURE NN

Reducing crime IS the City's #1 priority. We need additional police to bring crime under control. Measure NN would provide those much needed resources to keep our City safe and to improve investigations of robberies and homicides.

Yet, increasing the police force by 105 officers and 75 investigative technicians over a three-year period does not come free. It will cost the City \$26 million per year. Without this new source of funding, to increase police staffing Oakland would have to run the rest of the City's essential basic services on only 20% of the budget – a budget that is already extremely stretched during the current economic downturn.

Quality of life in Oakland is not just about reducing crime, it's also about having rapid response for fire and emergency medical services, safe havens for children at our libraries, parks and recreation facilities that are open seven days a week, oversight for new retail and small business development, assurance that construction is done safely, and well lit streets for safety and visibility, among other necessary services.

But quality of life starts with the public's safety.

Vote Yes on Measure NN.

s/Barry Donelan  
Secretary, Oakland Police Officers Association

s/Allene Warren  
Past Chair Bear 35Y NCPC

s/Eliza T. Greene  
Former Howeowners Association President

s/Ruth Villasenor  
Dimond Merchant

s/Jane Brunner  
City Councilmember

## FULL TEXT OF MEASURE NN

### A Proposed Ordinance Creating A Special Parcel Tax To Increase Police Personnel And Add A Data Management System.

**WHEREAS**, the Mayor and the City Council of the City of Oakland are committed to provide a safe and peaceful environment for all Oakland residents; and

**WHEREAS**, the City of Oakland has been experiencing unacceptable rates of crime and violence that are impacting families, businesses, and city's overall quality of life; and

**WHEREAS**, preventing violence and ensuring public safety requires that police services be adequately staffed; and

**WHEREAS**, the first challenge Oakland faces once the current authorized strength is reached this year is to sustain that level of police staffing; and

**WHEREAS**, for many residents additional police staffing is a matter of significant interest and concern; and

**WHEREAS**, limited police staffing services detrimentally impact the Oakland Police Department's ability to rapidly respond to calls for service, thoroughly investigate crimes, and engage in data-driven policing strategies; and

#### **NOW, THEREFORE BE IT RESOLVED:**

That the City Council of the City of Oakland does hereby submit to the voters at the November 4, 2008 general election, an Ordinance, which reads as follows:

#### **PART 1. GENERAL**

##### **Section 1. TITLE AND PURPOSE.**

(A) **Title.** This Ordinance may be cited as the "The 2008 Oakland Police Services Expansion Measure."

(B) **Purpose.** The tax, imposed under this Ordinance, is solely for the purpose of raising revenue necessary to maintain and enhance police services and programs to prevent crime in the City of Oakland.

This parcel tax is not an ad valorem tax on real property, nor a transaction tax or sales tax on the sale of real property. It is an excise tax on the privilege of using and use of municipal services. Such municipal services increase and provide a greater benefit to Owners of Parcels when programs aimed at preventing crime in the City are enhanced. Because the proceeds of the tax will be deposited in a special fund restricted for the services and programs specified herein, the tax is a special tax.

##### **Section 2. FINDINGS.**

1. Investing in adequate police services will significantly reduce the economic and social costs associated with crime and violence and be a cost-effective use of taxpayer dollars.
2. Crime occurs in all areas within the Oakland community and is a concern to residents of the City of Oakland.
3. Crime in Oakland tears apart families and destabilizes communities.
4. Crime in Oakland disrupts local commercial activity, reduces business and industrial productivity, deters tourism and outside financial investments, and reduces the value of real estate.
5. Limited police services results in too few officers on the streets, inadequate support for victims, deficient

investigations, slow response times, insufficient data analysis and unaddressed community issues.

6. Police services technicians can be cost effective in supporting and performing many of the sworn police officer responsibilities, including significant investigative and data analysis activities as well as responding to non-dangerous calls for service.

7. Adding additional police officers and police services technicians is a matter of significant interest to residents of the City of Oakland.

8. Adding additional police officers and police services technicians is crucial to effectively impacting all crime and violence in Oakland, especially drug and gang related homicides, domestic violence, sexual assault, child abuse, and juvenile crime.

9. With the addition of police personnel and a data management system:

- the Oakland Police Department will be able to reduce response times to calls for service and provide more police in our neighborhoods,
- the Oakland Police Department will be able to better serve crime victims and conduct more efficient and thorough investigations leading to the arrests and convictions of those responsible for committing crimes,
- the Oakland Police Department will be able to improve crime data collection and analysis, enhancing data-driven policing strategies to rapidly identify emerging trends and employ preventative policing,
- the Oakland Police Department will have significantly more capacity focused on reducing homicides and violent crimes, and
- the Oakland Police Department will have more resources to dedicate to prevention and education to keep communities safe and keep youth out of gangs, violence and crime.

10. This special tax is based on a community assessment of the need to increase public services and is intended to be proportional to and based on estimates of typical use and benefit from these municipal services.

11. The apportionment of the parcel tax to various types of properties is based, in part, on the intensity of policing needed for different kinds of land uses and on the average number of occupants of a parcel of each type of property. Users of residential property typically generate more calls for service to the police department, and the intensity of use of police services increases as the number of residential units on a parcel increases. On the other hand, because of the typically large size of commercial and industrial parcels, and because the employees who work for businesses located on such parcels and the customers who visit such businesses generally outnumber the residents of even a similarly sized parcel of residential property (partly because non-residentially developed real property often has more than one business operating on it), the tax on commercial/industrial properties is calculated based on Single Family Residential Unit Equivalent units.

12. As the density of residential development increases, the cost of providing policing services also increases. The differing tax rates accurately reflect the differing costs of providing services to the different densities of residential development.

13. The parcel tax rates established in this Ordinance are intended to be proportional to and based on estimates of typical use of and benefit to occupants of different residential parcels of policing services.

14. Each occupant of a parcel derives value from the availability of policing services. The value of such services is in their availability and benefit to all residents, and it would be unfair to charge their costs only to those persons who actually use the services. Even if such services are not presently used by an occupant, they may be used in the future and, in any event, their availability benefits each occupant. The City's policing services enhance the health, safety and welfare of all occupants of property in the City and improve their quality of life both directly and indirectly. Reducing crime is vitally important to the health, safety, and welfare of the occupants.

15. Nothing in this Ordinance is intended to preclude owners from recovering the tax from occupants. Whether an occupant is charged depends on the occupancy agreement and the requirements of the Residential Rent Adjustment Program.

16. It is not feasible for the City to collect the tax from the non-owner occupants on whom it is imposed because the records available to the City do not include the names of non-owner occupants. Therefore, the only practical way to collect a tax imposed on occupants is to collect it from the owners of the occupied properties.

17. This Ordinance is exempt from the California Environmental Quality Act, Public Resources Code section 21000 et seq., as it can be seen with certainty that there is no possibility that the activity authorized herein may have a significant effect on the environment.

### Section 3. USE OF PROCEEDS.

The City of Oakland budget currently authorizes 740 police officers ("police officers"). Measure Y (the Violence Prevention and Public Safety Act of 2004) authorizes at least 63 Measure Y officers ("Measure Y officers"). Subject to Minimum Staffing, Part 2, Section 9 of this Ordinance, the tax proceeds raised by this Ordinance may be used only as follows:

1. Increased Police Personnel for Fiscal Years 2009-10, 2010-11, and 2011-12 and each subsequent year:
  - a. An additional 35 police officers and additional 25 police services technicians in Fiscal Year 2009-10.
  - b. An additional 35 police officers and additional 25 police services technicians in Fiscal Year 2010-11, which is a cumulative total of 70 police officers and 50 police services technicians.
  - c. An additional 35 officers and additional 25 police services technicians in Fiscal Year 2011-12, which is a cumulative total of 105 police officers and 75 police services technicians.
  - d. 105 police officers and 75 police services tech-

nicians in each subsequent fiscal year.

2. Investigation Units: The City shall fully staff the criminal investigation unit with authorized number of police officers and police services technicians.
3. The proceeds of this parcel tax may be used for the direct and indirect cost of additional police officers and police services technicians including, but not limited to, the cost of salary and benefits, recruitment, police academy and training, support staff (payroll and accounting staff, dispatchers, secretarial / administrative / human resources staff, police records specialists, field training officers), vehicles, equipment, supplies, furnishings, facility and infrastructure expansion and central services overhead. Administrative costs shall be limited to 20 percent of the total annual appropriation of the tax proceeds raised by this Ordinance.
4. In addition, tax proceeds raised by the Ordinance also may be used for the data management system reporting (for reference purposes only: such as COMPSTAT), evaluation, audit and engineer as set forth in Part 2, Sections 1, 2, and 3 below.

## PART 2. REPORTING AND EVALUATION AND OVERSIGHT

### Section 1. DATA MANAGEMENT SYSTEM REPORTING.

A data management system (for reference purposes only: COMPSTAT) shall be used during the term of this parcel tax to gather and analyze crime statistics and create reports of essential information. Tax proceeds may be used for purchase of the computer system, updated software, data analysis applications and to fully staff the data management system including, but not limited to, data entry employees and technicians assigned to data analysis such as Administrative Analysts and Systems Analyst. These reports shall be posted on the City of Oakland's website and shall be updated weekly. This data management system shall be implemented within 9 (nine) months of the first collection of this parcel tax.

### Section 2. EVALUATION.

An evaluation shall be done by an outside evaluator on an annual basis unless otherwise directed by City Council. The evaluation shall include performance standards, the rate of crime reduction achieved, response to crime reports, and community policing. The performance standards shall be approved by City Council. The evaluation shall be submitted to the City Council and available for public review.

### Section 3. AUDIT AND ENGINEER.

An independent audit shall be performed annually to ensure accountability and proper disbursement of the proceeds of this tax in accordance with the objectives stated herein as provided by Government Code sections 50075.1 and 50075.3. The City will, from time to time, retain an engineer for services pertaining to this parcel tax.

### Section 4. SPECIAL FUND.

All funds collected by the City from the tax imposed by this Ordinance shall be deposited into a special fund in the City treasury and appropriated and expended only for



the purposes authorized by this Ordinance.

**Section 5. TERM OF TAX IMPOSITION.**

The tax imposed by this Ordinance shall become effective on July 1, 2009.

**Section 6. SAVINGS CLAUSE.**

If any provision, sentence, clause, section or part of this Ordinance is found to be unconstitutional, illegal or invalid by a court of competent jurisdiction, such unconstitutionality, illegality, or invalidity shall affect only such provision, sentence, clause, section or part of this Ordinance and shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared that the City would have adopted this Ordinance had such unconstitutional, illegal or invalid provision, sentence, clause, section or part thereof not been included herein.

If any tax imposed by this Ordinance is found to be unconstitutional, illegal or invalid by a court of competent jurisdiction, the amounts, services, programs and personnel required to be funded from such tax shall be reduced proportionately by any revenues lost due to such unconstitutionality, illegality or invalidity.

**Section 7. REGULATIONS.**

The City Council is hereby authorized to promulgate such regulations or Ordinances as it shall deem necessary in order to implement the provisions of this Ordinance.

**Section 8. NO AMENDMENT.**

The tax rates may not be increased by action of the City Council without the applicable voter approval but the City Council may make any other changes to this Ordinance as are consistent with its purpose.

**Section 9. MINIMUM STAFFING.**

A. No tax authorized by this Ordinance may be collected in any year that the number of police officers employed by the City of Oakland is less than 740. If 740 police officers are employed, then the parcel tax shall be collected as provided for in this Ordinance, except as provided in Section B below.

B. The Violence Prevention and Public Safety Act of 2004 (hereinafter referred to as "Measure Y") is in effect until December 31, 2014. While Measure Y or a renewal of Measure Y is in effect, no tax authorized by this Ordinance may be collected in any year that the number of police officers employed by the City of Oakland is less than 803.

C. Once the collection of the parcel tax imposed by this Ordinance commences, the amount of the parcel tax can only be increased if the number of police officers are employed as specified in Part I, Section 3(1) of the Ordinance and such increase will be delayed until the officers are so employed.

D. Once each year of the term of the parcel tax imposed by this Ordinance, the City Council shall determine the number of police officers that have been employed by the City of Oakland and whether this parcel tax is to be imposed. This annual determination shall be made at a public City Council meeting.

E. Police officers and Measure Y officers shall be deemed employed by the City of Oakland if they are employed as a police officer.

**PART 3. PARCEL TAX**

**Section 1. DEFINITIONS.**

For purposes of this Ordinance, the following terms shall be defined as set forth below:

(A) "Additional" shall mean an increase in the existing number.

(B) "Administrative Costs" shall mean overhead costs, including central services, departmental and/or divisional.

(C) "Building" shall mean any structure having a roof supported by columns or by walls and designed for the shelter or housing of any person, chattel or property of any kind. The word "Building" includes the word "structure."

(D) "Family" shall mean one or more persons related by blood, marriage, domestic partnership, or adoption, who are living together in a single residential unit and maintaining a common household. Family shall also mean all unrelated persons who live together in a single Residential Unit and maintain a common household.

(E) "Hotel" shall mean as defined by Oakland Municipal Code section 4.24.020.

(F) "Multiple Residential Unit Parcel" shall mean a parcel zoned for a Building, or those portions thereof, which accommodates or is intended to contain two or more residential units.

(G) "Non-Residential" shall mean all parcels that are not classified by this Ordinance as Residential Parcels, and shall include, but not be limited to, parcels for industrial, commercial and institutional improvements, whether or not currently developed.

(H) "Occupancy" shall be as defined by Oakland Municipal Code section 4.24.020.

(I) "Officer" shall mean a position in the Oakland Police Department for sworn police personnel at the rank of officer or sergeant.

(J) "Operator" shall be as defined by Oakland Municipal Code section 4.24.020.

(K) "Owner" shall mean the Person having title to real estate as shown on the most current official assessment role of the Alameda County Assessor.

(L) "Parcel" shall mean a unit of real estate in the City of Oakland as shown on the most current official assessment role of the Alameda County Assessor.

(M) "Person" shall mean an individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

(N) "Police Services Technician" shall mean a position in the Oakland Police Department for non-sworn personnel who performs the functions of Police Services Technician or Crime Analyst.

(O) "Possessory Interest" as it applies to property owned by any agency of the government of the United States, the State of California, or any political subdivision thereof, shall mean possession of, claim to, or right to the possession of, land or Improvements and shall include any exclusive right to the use of such land or Improvements.

(P) "Residential Unit" shall mean a Building or portion of a Building designed for or occupied exclusively by one Family.



(Q) "Single Family Residential Parcel" shall mean a parcel zoned for single-family residences, whether or not developed.

(R) "Transient" shall mean any individual who exercises Occupancy of a hotel or is entitled to Occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any individual so occupying space in a Hotel shall be deemed to be a Transient until the period of thirty (30) consecutive days has elapsed.

## Section 2. IMPOSITION OF PARCEL TAX.

There is hereby imposed a special tax on all Owners of parcels in the City of Oakland for the privilege of using municipal services and the availability of such services. The tax imposed by this Section shall be assessed on the Owner unless the Owner is by law exempt from taxation, in which case, the tax imposed shall be assessed to the holder of any Possessory Interest in such parcel, unless such holder is also by law exempt from taxation. The tax is imposed as of July 1 of each year on the person who owned the parcel on that date. The tax shall be collected at the same time, by the same officials, and pursuant to the same procedures as the one percent property tax imposed pursuant to Article XIII A of the California Constitution.

**Base Amount of Tax.** The tax hereby imposed shall be set as follows subject to adjustment as provided in Section 5 below:

(A) For owners of all Single Family Residential Parcels, the tax shall be at the annual rate as follows:

Fiscal Year 2009-10: \$113.42

Fiscal Year 2010-11: \$184.87

Fiscal Year 2011-12 and each subsequent Fiscal Year: \$275.56

(B) For owners of all Multiple Residential Unit Parcels, the tax shall be at the annual rate of per occupied Residential Unit as follows:

Fiscal Year 2009-10: \$77.49

Fiscal Year 2010-11: \$126.30

Fiscal Year 2011-12 and each subsequent Fiscal Year: \$188.26

Owners of units that are vacant for six months or more per year may apply to the Director of Finance to have the rate reduced by 50% per vacant Residential Unit located on the Parcel as follows:

Fiscal Year 2009-10: \$38.74

Fiscal Year 2010-11: \$63.15

Fiscal Year 2011-12: \$94.13

(C) The tax for a Non-Residential Parcels is calculated using both frontage and square footage measurements. To calculate the tax for a non-residential parcel, first determine the land use category of the parcel. Second, take the parcel's frontage measurement and divide that number by the frontage denominator for the parcel's land use category (see matrix). This number will be the Single Family Residential Unit Equivalent for the parcel's frontage. Third, take the parcel's square footage measurement and divide that number by the area denominator for the parcel's land use category (see matrix). This number will be the Single Family Residential Unit Equivalent for the par-

cel's area. Add the Single Family Residential Unit Equivalent for the parcel's frontage to the Single Family Residential Unit Equivalent for the parcel's area. This number will be the parcel's total Single Family Residential Unit Equivalent. Multiply the total Single Family Residential Unit Equivalent times the tax rate for the year. This number will be the annual tax for the parcel.

The tax on a Non-Residential Parcel is the annual rate as follows multiplied by the total number of Single Family Residential Unit Equivalents (determined by the frontage and square footage) is as follows:

Fiscal Year 2009-10: \$58.09

Fiscal Year 2010-11: \$94.68

Fiscal Year 2011-12 and each subsequent Fiscal Year \$141.13

The following measurements are equal to 1 (one) Single Family Residential Unit Equivalent:

LAND USE CATEGORY	Frontage Denominator	Area Denominator (SF)
Commercial/ Institutional	80	6,400
Industrial	100	10,000
Public Utility	1,000	100,000
Golf Course	500	100,000
Quarry	1,000	250,000

Example: assessment calculation for an owner of a commercial parcel with a frontage of 160 feet and an area of 12,800 square feet:

Frontage:  $160/80 \text{ ft} = 2 \text{ SFE}$

Area:  $12,800 / 6400 \text{ sq ft} = 2 \text{ SFE}$

$2 \text{ SFE} + 2 \text{ SFE} = 4 \text{ SFE}$

$4 \text{ SFE} \times \$58.09 = \$232.36$  total tax for Fiscal Year 2009-10

(D) An Owner of An Undeveloped Parcel is exempt from this parcel tax if the owner can prove that the parcel was undeveloped for at least six months of the year in question.

## Section 3. HOTELS

The tax imposed by this Ordinance shall be imposed on each Hotel within the City as follows:

1. Residential Hotels. Rooms in a Hotel occupied by individuals who were not Transients for 80% or more of the previous Fiscal Year shall be deemed Residential Units and the parcel on which they are located shall be subject to the Parcel tax imposed on Multiple Residential Unit Parcels. The remainder of the Building shall be subject to the applicable tax computed in accordance with the Single Family Residential Unit Equivalent formula set forth in Section 2(C).

2. Transient Hotels. Notwithstanding the previous subsection, if 80% or more of the Operator's gross receipts for the previous Fiscal Year were reported as rent received from Transients on a return filed by the Operator in compliance with section 4.24.010 of the Oakland Municipal

Code (commonly known as the Uniform Transient Occupancy Tax of the City of Oakland), such Hotel shall be deemed a Transient Hotel. The entire Building shall be deemed a Non-Residential Parcel, categorized as Commercial/Institutional, and shall be subject to the applicable tax computed in accordance with the Single Family Residential Unit Equivalent formula set forth in Section 2(C), and the parcel tax imposed on Multiple Residential Units shall not apply.

#### Section 4. EXEMPTIONS.

Low income household exemption. Exempt from this tax are owners of single family residential units in which they reside whose combined family income, from all sources for the previous Fiscal Year, is at or below the income level qualifying as "very low income" for a Family of such size under Section 8 of the United States Housing Act of 1937 (42 U.S.C.A. Sections 1437 et. seq.,) for such year. Owners must apply for the exemption provided for in this section annually by petition to the Director of the Finance and Management Agency of the City of Oakland ("Director of Finance") in the manner and time set forth in procedures established by the Director of Finance. Such petitions shall be on forms provided by the Director of Finance and shall provided such information as the Director of Finance shall require, including, but not limited to, federal income tax returns and W-2 forms of owner-occupants eligible for this exemption.

#### Section 5. REDUCTION IN TAX; RATE ADJUSTMENT.

(A) Subject to paragraph (B) of this section, the tax rates imposed by this Ordinance are maximum rates which may not be exceeded by the City Council without additional voter approval. The tax imposed by the Ordinance may be suspended, reduced or eliminated by the City Council for a subsequent Fiscal Year upon a vote of the City Council on or before June 30<sup>th</sup> in any year in which the City Council determines that after such suspension, reduction or elimination there will be sufficient revenues available to balance the City Council's Adopted Policy Budget and to provide the services and programs described in Section 3 of Part 1 above. Such suspension, reduction or elimination shall be effective for the Fiscal Year following such vote.

(B) Beginning in Fiscal Year 2009-10 and each year thereafter, the City Council may increase the tax imposed hereby only upon a finding that the cost of living in the immediate San Francisco Bay Area has increased in the previous year, as shown by the Consumer Price Index (CPI) for all items in the San Francisco Bay Area as published by the U.S. Department of Labor Statistics or any successor to that index (CPI). The percentage increase of the tax imposed hereby shall not exceed such increase, using Fiscal Year 2009-10 as the index year and in no event shall any annual adjustment exceed 7% (seven percent).

#### Section 6. DUTIES OF THE DIRECTOR OF FINANCE; NOTICE OF DECISIONS.

*It shall be the duty of the Director of the Finance and Management Agency ("Director of Finance") to collect and receive all taxes imposed by this Ordinance, and to keep an accurate record thereof.*

The Director of Finance is charged with the enforcement of this Ordinance, except as otherwise provided herein, and may prescribe, adopt, and enforce rules and regulations relating to the administration and enforcement of this Ordinance, including provisions for the re-examination and correction of returns and payments. The Director of Finance may prescribe the extent to which any ruling or regulation shall be applied without retroactive effect.

Upon disallowing any claims submitted pursuant to this Ordinance, the Director of Finance shall mail written notice thereof to the claimant at his/her address as shown on the Alameda County Assessor's property tax rolls.

#### Section 7. EXAMINATION OF BOOKS, RECORDS, WITNESSES; PENALTIES.

The Director of Finance or his/her designee is hereby authorized to examine assessment rolls, property tax records, records of the Alameda County Recorder and any other records of the County of Alameda deemed necessary in order to determine ownership of Parcels and computation of the tax imposed by this Ordinance.

The Director of Finance or his/her designee is hereby authorized to examine the books, papers and records of any person subject to the tax imposed by this Ordinance for the purpose of verifying the accuracy of any petition, claim or return filed and to ascertain the tax due. The Director of Finance, or his/her designee is hereby authorized to examine any person, under oath, for the purpose of verifying the accuracy of any petition, claim or return filed or to ascertain the tax due under this Ordinance and for this purpose may compel the production of books, papers and records before him/her, whether as parties or witnesses, whenever s/he believes such persons have knowledge of such matters. The refusal of such examination by any person subject to the tax shall be deemed a violation of this Ordinance and of the Oakland Municipal Code and subject to any and all remedies specified therein.

#### Section 8. REFUND OF TAX, PENALTY, OR INTEREST PAID MORE THAN ONCE; OR ERRONEOUSLY OR ILLEGALLY COLLECTED.

Whenever the amount of any tax, penalty, or interest imposed by this Ordinance has been paid more than once, or has been erroneously or illegally collected or received by the City it may be refunded provided a verified claim in writing therefore, stating the specific ground upon which such claim is founded, is filed with the Director of Finance within one (1) year from the date of payment. The claim shall be filed by the person who paid the tax or such person's guardian, conservator of the executor of her or his estate. No claim may be filed on behalf of other taxpayers or a class of taxpayers. The claim shall be reviewed by the Director of Finance and shall be made on forms provided by the Director of Finance. If the claim is approved by the Director of Finance, the excess amount collected or paid may be refunded or may be credited against any amounts then due and payable from the Person from who it was collected or by whom paid, and the balance may be refunded to such Person, his/her administrators or executors. Filing a claim shall be a condition precedent to legal action against the City for a refund of the tax.

#### Section 9. MISDEMEANOR VIOLATION.

Any Owner who fails to perform any duty or obligation imposed by this Ordinance shall be guilty of a misdemeanor, and upon conviction thereof; shall be punishable as provided in Chapter 1.28 of the Oakland Municipal Code.

The penalties provided in this section are in addition to the several remedies provided for violations of the Oakland Municipal Code, or as may otherwise be provided by law.

#### Section 10. BOARD OF REVIEW.

Any person dissatisfied with any decision adversely affecting the rights or interests of such person made by the Director of Finance under the authority of this Ordinance, may appeal therefrom in writing to the Business Tax Board of Review (the "Board") within sixty (60) days from the date of mailing such decision by the Director. All filings with the Board relating to appeals or otherwise shall be made to the Chairperson of the Business Tax Board of Review in care of the Revenue Department, 250 Frank Ogawa Plaza, 1<sup>st</sup> Floor, Oakland, CA 94612. The Board may affirm, modify or reverse such decision or dismiss the appeal therefrom, as may be just, and shall prescribe such rules and regulations relating to appeals as it may deem necessary. The Board's decision on appeal will become final upon mailing notice thereof to the Person appealing the Board's decision at such Person's last known address shown on the Tax Records.

Any tax, penalty or interest found to be owed is due and payable at the time the Board's decision becomes final.

The Board shall approve, modify or disapprove all forms, rules and regulations prescribed by the Director of Finance in administration and enforcement of this tax. Such forms, rules and regulations shall be subject to and become effective only on such approval.

All decisions rendered by the Board shall be final, and no further administrative appeal of these decisions is provided or intended.



**CITY OF OAKLAND MEASURE OO****OO****MEASURE OO:** To in-**YES****NO**

crease existing mandatory funding for children's and youth services, shall the City Charter be amended to (1) increase the annual set aside for grants to organizations serving children and youth to 1½% for two years and 2½% thereafter of the City's annual total revenues, with audits and an oversight committee, and (2) in addition to the set aside, increase the annual amount that the City is required to spend on children and youth?

the Oakland City budget.

s/JOHN RUSSO

City Attorney

**CITY ATTORNEY'S BALLOT TITLE AND  
SUMMARY OF MEASURE OO****BALLOT TITLE:**

**Measure Increasing the Total Amount of Funding For Targeted Children and Youth Programs To Two And A Half Percent Of All City Revenue and Replacing Article XIII of the Oakland Municipal Charter**

**BALLOT SUMMARY:**

The proposed ballot measure changes the funding provisions of Article XIII of the Oakland Municipal Charter entitled "Kids First! Oakland Children's Fund," by allocating 1.5% of the City's total yearly revenues for two years and then allocating 2.5% of the City's total yearly revenues each year thereafter to a special fund to be spent on grants to programs benefiting children and youth. The proposed measure would replace all of the exiting language of Article XIII of the Oakland Municipal Charter ("Kids First! Oakland Children's Fund"), which was established as an amendment to the Charter by a voter approved ballot measure in 1996. The original measure set aside 2.5% of the City's unrestricted general fund revenues every year for targeted services benefiting children and youth.

The monies in the fund are to be used exclusively to fund grants to programs that support the healthy development of pre-school children, help children and youth succeed in school and graduate high school, prevent and reduce violence, crime and gang involvement among children and youth, and prepare young people for healthy and productive adulthood. These programs include pre-school education and school-readiness programs, physical and behavioral health services, parent education, case management, after school academic support and college readiness programs, arts and music education, sports and outdoor education, internships, parent education, leadership development, hard skills training, and job placement.

The measure provides for the continuation of the Planning and Oversight Committee which is tasked with developing a three-year strategic investment plan for appropriating (spending) the fund monies, soliciting funding applications from non-profit and public agencies and making recommendations to City Council to fund specific agencies whose programs support the measure's goals.

The new measure would become a permanent part of

## **CITY ATTORNEY'S IMPARTIAL LEGAL ANALYSIS OF MEASURE OO**

This proposed Charter amendment would permanently increase the existing mandatory, annual set aside under Article XIII for the "Kids First! Oakland Children's Fund" ("Fund") by using a new, expanded revenue base to calculate the set aside amount. The Fund gives grants to organizations that provide children's and youth services.

Current Article XIII was renewed by the City Council and will expire in 2021. This measure has no expiration date.

The measure would substantially increase the mandatory set aside. Instead of the current, annual mandatory set aside of a percentage of the "unrestricted general fund revenues", this measure sets aside a percentage of the City's "total revenues."

The measure does not define "total revenues", but under any definition it would include some limited purpose (legally restricted) City revenues.

### Funding Requirements

Article XIII currently requires that the Fund receive 2½% of the City's "unrestricted general fund revenues" each year. The "unrestricted general fund revenues" can be used for any lawful, public purpose.

This measure requires that the Fund receive 1½% of the City's "total revenues" for two years. Beginning July 2011, the Fund would receive 2½% of the City's "total revenues".

By changing the formula to now apply the percentage to "total revenues," the percentage would be calculated based on a much larger amount of revenue. "Total revenues" includes some revenues that the City is legally prohibited from spending on anything other than the purposes authorized by law or the funding source.

The increase in the set aside would have to be drawn from unrestricted revenues. The increase in the set aside would reduce the amount available to pay for other municipal programs, services and operations.

This measure authorizes expenditure of the funds for the same programs and services that the current Article XIII authorizes and prohibits use of the funds in the same manner that current Article XIII does. The Measure also maintains the Planning and Oversight Committee and continues the same appointment procedures and powers that are provided in current Article XIII.

### Additional Spending Requirements

The set-aside is on top of mandated base spending that the City is required to continue for children's and youth services. Under this measure, the new base spending amount would increase because it is based on "total revenues" instead of the "unrestricted general fund revenues".

Under the proposed Charter amendment, the base spending amount each year would be either (1) the amount that the City spent on non-Kids First! expenditures for children's and youth services during the 2008-09 fiscal year or (2) the percentage of City's "total revenues" that the City spent on such services excluding Kids First! funding during the 2008-09 fiscal for the year in question, whichever is more.

The proposed Charter amendment could be further

amended or deleted only by Oakland voters at a special or general election.

s/JOHN RUSSO  
City Attorney

## CITY AUDITOR'S IMPARTIAL FINANCIAL ANALYSIS OF MEASURE OO

### SUMMARY

Adoption of the proposed Charter amendment would mandate the City to set aside 1½% of annual total revenues for two years, beginning July 2009, and 2½% beginning July 2011, for the Kids First! Oakland Fund for Children and Youth (Fund). The Fund is used to award grants for children and youth programs. Additionally, the City must maintain the current level of spending for children and youth services from sources other than the Fund.

Currently, the City is required to annually set aside 2½% of the unrestricted general fund revenues for the Fund. The proposed set-aside calculation is based on the City's total annual revenues; however, monies for the set-aside can only come from unrestricted general fund revenues. Unrestricted general fund revenues are used to pay for basic services such as police, fire, library, and parks. Under the proposed amendment, the Fund would receive these revenues together with any interest earned and any unspent or uncommitted amounts in the Fund.

### FINANCIAL IMPACT

The proposed amendment would substantially increase the amount of the annual set-aside. The proposed set-aside would be calculated on annual total revenues, a substantially larger amount than the total unrestricted general fund revenues used now. The chart below uses fiscal year 2006-07 audited revenue totals, increased annually by 1½% to show the projected increase in the set-aside amount under the proposed amendment.

Fiscal year	Current Set-aside: 2.5% unrestricted revenues	Proposed Amendment Set-aside: 1.5% total revenues	Proposed Amendment Set-aside: 2.5% total revenues	Increase in the Set-aside under the Proposed Amendment
2009-2010*	\$9,944,000	\$15,410,000		\$5,466,000
2010-2011*	\$10,093,000	\$15,641,000		\$5,548,000
2011-2012*	\$10,244,000		\$26,460,000	\$16,216,000

\*For analysis purposes, projected revenues were increased 1½% annually.

As the chart shows, in the first two fiscal years under the proposed amendment, the set-aside would be approximately \$5.5 million more than the current set-aside. In the third year, the set-aside would be over \$16 million more than the current set-aside. The proposed amendment has no expiration date compared to the existing legislation which expires in 2021.

Although the amount cannot be precisely determined, the mandated increase in the set-aside would increase interest income to the Fund and decrease interest income to the general fund. During the last fiscal year, the Fund's interest earnings totaled \$356,000. Although we cannot project future interest earnings on the Fund, we expect the Fund to earn at least 1½ to 2½ times more in interest than the Fund currently earns. Additional interest earnings to the Fund would decrease earnings to the general fund by a comparable amount.

Whether the proposed measure would increase the cost of government in Oakland is dependent on the City Council. If the Council reduces expenditures for basic services to offset mandated increases in the set-aside, there would be no increase in the cost of City government. However, the

City's basic services would be reduced. If the Council does not reduce expenditures to offset mandated increases in the set-aside, the cost of City government would increase.

s/COURTNEY A. RUBY, CPA

City Auditor



## **ARGUMENT IN FAVOR OF MEASURE OO**

**Vote YES on Measure OO—Kids First!** Help Oakland's kids stay on the right track. Address root problems before they begin—with **NO** tax increase.

No challenge is greater, or mission more important, than making sure our children have a chance to learn, grow and contribute to a better future and safer community for all of us.

### **Consider the FACTS:**

- 100+ known gangs in Oakland.
- Teens and young adults are 40-50% of Oakland's homicide victims.
- Oakland has one of the highest drop-out rates in California.
- Nearly half of all Oakland students have been truant from school without excuse.

### **Challenges facing kids in Oakland are growing, but the resources to help them are not.**

Kids First! was created by voter mandate in 1996. Thanks to YOU—the Oakland voter—a small percentage of the City's budget is dedicated to serve the needs of children and youth.

**Kids First! programs work!** An independent evaluation at 25 schools showed program participants improved school attendance by 83% and 86% improved their academic test scores.

**YES on Measure OO** expands the model program established by Oakland voters to improve children's lives—increasing fiscal accountability at City Hall.

**YES on Measure OO** includes tough fiscal accountability provisions. The City Council can't be trusted to adequately fund services our kids depend on. **YES on OO** requires an Oversight Committee, annual program evaluations, and annual audits—ensuring that funds are spent efficiently and as promised to voters.

**YES on Measure OO won't raise taxes.** It allocates existing City funds to support after-school programs, improve graduation rates, and reduce the number of kids turning to gangs and drugs.

**YES vote on Measure OO** is a win-win for Oakland kids and taxpayers. For a lawn sign, visit <http://www.kidsfirst2coalition.org>

s/David Kakishiba

President, Oakland Board of Education

s/Linda Boessenekker

Executive Director, Girls Incorporated of Alameda County

s/Sheilagh Andujar

Principal, Oakland Technical High School

s/Isaiah Toney

Co-Chairperson, Citizen's Planning & Oversight Committee, Oakland Fund for Children & Youth

s/Reverend George Cummings

Co-Chairperson, Oakland Community Organizations

## **REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE OO**

**Don't be fooled:** Kids First! Will hamstring the City's ability to provide essential services for seniors, families AND kids.

**Consider the facts:** The City of Oakland already gives over \$26 million annually to nonprofits for kids programs beyond the \$10 million allocated under the original Kids First!

Measure OO will lock the city into earmarking up to another \$26 million a year forever. The City will be mandated to fund only a narrow group of specific kids' programs at the expense of our libraries, police, fire, parks and recreation, street repair and services for seniors.

The original Kids First! Is already assured of receiving about \$10 million a year until 2021. If Measure OO passes, the City will have to cut more than the equivalent of the entire Oakland Parks & Recreation program just to meet Measure OO requirements. Not only will Oakland's children suffer, but so will all other Oakland residents.

The bottom line is that the City must allocate existing funds to meet the needs of ALL of Oakland's residents – or else the future we hand Oakland's kids will be an unmitigated financial disaster.

### **Vote NO on Measure OO.**

s/Daniel Farrell

Fire Chief

s/Susan Montauk

Oakland Parks Coalition Chair

s/John Bliss

Soccer Coach

s/Bobbie Bond

Former Commissioner On Aging

s/Sylvester Grisby

Former Member Library Advisory Commission

## ARGUMENT AGAINST MEASURE OO

### Vote no on Measure OO

**Measure OO is unnecessary.** Kids First! funding is safe for another 12 years. The City Council, recognizing the value of many Kids First! programs, just unanimously extended the original Kids First! measure until 2020. Next year, Kids First! will receive about \$10 million.

**Measure OO is fiscally irresponsible.** It would more than double funding for non-profit organizations, increasing the Kids First! share of City funds to almost \$16 million per year for the first two years, and \$26 million the third year, at the expense of essential City services, such as police and fire, libraries, parks and recreation, senior services, and repair of potholed city streets. If this passes it will contribute to an even worse fiscal crisis as the City anticipates cutting tens of millions more from our budget this year due to the current recession.

This expensive measure is **ballot-box budgeting at its worst**, making it even more difficult for the City to meet its responsibilities in this time of economic uncertainty and budgetary hardship. The City needs flexibility to address ever-changing needs and financial situation. The City will be forced to cut safety, library, and recreation services that help children, to meet the narrow language of this strict initiative. This measure has no sunset – this is irresponsible and bad public policy. The original Kids First! measure included this safety feature, and the success of funded programs merited renewal. This proposal has no sunset clause or any provision for periodic review.

Vote No on Measure OO.

s/Helen Hutchison

President, League of Women Voters of Oakland

s/Audree V. Jones-Taylor

Director of Parks & Recreation

s/William B. Patterson

Former Administrator Oakland Recreation Department

s/Ignacio De La Fuente

President City Council

## REBUTTAL TO ARGUMENT AGAINST MEASURE OO

**Yes on OO is about kids** and what we need to pull our youth and our City out of this mess of killing and crime. I am Daisy Velasco. I grew up in a tough neighborhood. I see what's happening on the streets. It's no place to be – too much violence and too many of us dropping out of school.

Kids First! programs offer places to go, people who care, and a better way. Without the help of these programs, I would have easily fallen victim to the streets.

I've been lucky to be in after-school programs that kept me safe, gave me opportunities to grow and learn, and helped me get into college. But there aren't enough programs for all of us. I know because too many of my friends didn't have these opportunities and they're struggling now as young adults.

**Yes on OO** because it makes sense to expand things that work – programs that prevent kids from getting into trouble and teach us to be successful members of our community.

This may be a political game to some people, but to me it's about success or failure – life or death. Are kids important enough to YOU?

**Yes on OO** because the City Council can't get the job done – that's why I helped collect 40,000 signatures to let the citizens of Oakland decide what's best for our future.

**Vote YES on OO! "Our Oakland Kids First."**

s/Daisy Velasco

Kids First! Program Alumnus & California State University East Bay Student

s/Olis Simmons

Executive Director, Youth Uprising

s/Teresa Williams

Principal, Bret Harte Middle School

s/Michele Clark

Executive Director, Youth Employment Partnership

s/Jamie Marantz

Principal, Edna Brewer Middle School

## FULL TEXT OF MEASURE OO

### Proposed Charter Amendment "Kids First! – The Oakland Fund for Children and Youth Act".

WHEREAS, the City Clerk has certified to the City Council that upon the examination of the petition for the City Charter amendment, "Kids First! – The Oakland Fund for Children and Youth Act," and that the petition is signed by the requisite number of registered voters; and

WHEREAS, the Alameda County Registrar of Voters requires a resolution from the City of Oakland to place the initiative on the ballot; and

WHEREAS, such action by the City Council is mandatory and ministerial and not a discretionary act and not a statement that the City Council or its members are either for or against the initiative;

#### NOW, THEREFORE BE IT RESOLVED:

That the City of Oakland does hereby submit to the voters at the November 4, 2008 general election, a proposed Charter Amendment, which reads as follows (additions are indicated by underscoring and deletions are indicated by ~~strike through type~~):

##### Section 1. Title.

This Act shall be known and may be cited as "Kids First! – The Oakland Fund for Children and Youth Act."

##### Section 2. Findings and Purpose.

The people of the City of Oakland hereby make the following findings and declare their purpose in enacting the Act is as follows:

(a) Teens and young adults comprise too many of Oakland's homicide victims every year. Many of these deaths are due to gun violence.

(b) Many students in Oakland public schools do not graduate from high school. The percentage of Oakland students who do not graduate high school is much higher than the statewide average.

(c) It is critical to address root problems before they start by providing support services for children and youth and their families, like after-school and community based programs that keep children and youth out of trouble, encourage parent involvement and teach non-violent conflict resolution.

(d) The Kids First!--Oakland Fund for Children and Youth was established by a voter approved ballot measure in 1996. The measure set aside a portion of the City's unrestricted general fund revenues every year for services benefiting children and youth, such as after-school programs, mentoring, recreational programs, job training and pre-school programs.

(e) Kids First! The Oakland Fund for Children and Youth puts money into programs that work. The Center on Juvenile and Criminal Justice reported that Oakland has a 69 percent drop in juvenile crime from 1995 to 2005, making Oakland the city with the lowest juvenile crime rate out of the eight largest cities in California. This is because of programs funded through measures like Kids First!

(f) This Act will increase funding for after-school programs, sports and recreation programs, youth gang prevention and other programs for children and youth to two and a half percent of all City revenue.

(g) This Act will protect and expand the services that

help keep Oakland children and youth on the right track. Programs funded by this measure will provide after-school programs that give children and youth positive alternatives and safe places away from the negative influences of the streets.

(h) This Act makes the Oakland Fund for Children and Youth a permanent part of the Oakland City budget.

### Section 3. Amendment to Article XIII of the City Charter of the City of Oakland.

Article XIII of the City Charter of the City of Oakland is hereby amended to read as follows:

#### ARTICLE XIII KIDS FIRST! OAKLAND CHILDREN'S FUND

##### Section 1300.

1. ~~This law establishes a fund that will help young grow to become healthy, productive and honorable adults. This fund shall be called the KIDS FIRST! Oakland Children's Fund, and it shall be maintained separately and apart from all other City funds.~~

2. ~~Two and one half percent of the City of Oakland's annual unrestricted general fund revenues shall be set aside for the KIDS FIRST! Oakland Children's Fund, and appropriated as specified in this section each year for twelve years beginning July 1, 1997, together with any interest earned on the fund and any amounts unspent or uncommitted by the fund at the end of any fiscal year.~~

3. ~~Monies in the KIDS FIRST! Oakland Children's Fund shall be used exclusively to provide services to children and youth less than twenty one years old, above and beyond services funded prior to the adoption of this section. To this end, monies in the KIDS FIRST! Oakland Children's Fund shall not be appropriated or expended to pay for services funded by the City of Oakland during fiscal year 1995-1996, except and solely to the extent of services for which the City of Oakland ceases to receive federal, state or private agency funds which the funding agency required to be spent on services in question.~~

4. ~~Monies in the KIDS FIRST! Oakland Children's Fund shall be used exclusively for:~~

a. ~~Career & Leadership Development, including job training; year round work experience; career internships; and community organizing projects;~~

b. ~~Academic & Cultural Development, including pre school programs; academic enrichment programs; college preparatory services; arts and music programs; outdoor adventure activities; and sports program;~~

c. ~~Physical & Behavioral Health, including school health centers; neighborhood teen clinics; counseling and mentoring programs; conflict resolution; prenatal care; and parenting classes.~~

5. ~~All monies in the KIDS FIRST! Oakland Children's Fund shall be appropriated to private non-profit and public entities through an open and fair competitive bid process.~~

6. ~~All monies in the KIDS FIRST! Oakland Children's Fund shall be appropriated to private non-profit and public entities for programs that:~~

a. ~~implement services in a comprehensive,~~



- coordinated, and culturally appropriate design;
- b. establish measurable and ambitious youth development outcomes;
- c. integrate youth in their development, operation, and evaluation; and that
- d. emphasize collaboration between private non-profit and public entities.

7. Monies in the KIDS FIRST! Oakland Children's Fund shall not be appropriated or expended for:

- a. any service which merely benefits children and youth incidentally;
- b. acquisition of any capital item not for primary and direct use by children and youth;
- c. acquisition of, other than by lease for a term of twelve years or less, any real property;
- d. maintenance, utilities or any similar operating cost of any facility not used primarily and directly by children and youth;
- e. any service for which a fixed or minimum level of expenditure is mandated by state or federal law, to the extent of the fixed or minimum level of expenditure.

8. Not later than 90 days after the election which approved this section, and by December 15<sup>th</sup> of each calendar year thereafter, the Mayor shall appoint three Oakland residents, one whom shall be a resident not older than 21 years, and each City Councilmember shall appoint two Oakland residents, one of whom shall be a resident not older than 21 years, to serve as members of the "CHILDREN'S FUND PLANNING & OVERSIGHT COMMITTEE." The appointees shall demonstrate a strong interest in children and youth issues; and possess sound knowledge of, and expertise in, children and youth policy development and program implementation.

9. The "CHILDREN'S FUND PLANNING AND OVERSIGHT COMMITTEE" shall be responsible for:

- a. preparing three Four Year Strategic Plans that outline specific outcome goals, objectives, and service priorities for each four year period beginning January 1, 1998, January 1, 2002, and July 1, 2006;
- b. soliciting program funding proposals from private and public non-profit entities through an open and fair competitive bid process;
- c. submitting to the Oakland City Council for its adoption 60 days after the submission, three Four Year Strategic Plans and their corresponding program funding recommendations, with the first plan submitted by October 1, 1997, the second plan submitted by October 1, 2001, and the third plan submitted by October 1, 2005;
- d. presenting to the Oakland City Council for its adoption 60 days after the submission annual independent process and outcome evaluation reports not later than October 1<sup>st</sup> of each calendar year beginning October 1998.

10. The allocation of grants to private non-profit and public entities under this law shall comply as closely as practicable with the goals, objectives and service priorities of these Four Year Strategic Plans. Appropriation for the City fiscal year shall be awarded for use during the calendar year which begin therein.

For example, appropriations for the fiscal year July 1, 1997 to June 30, 1998 shall be awarded for use during the calendar year January 1, 1998 to December 31, 1998, and so on.

11. The "CHILDREN'S FUND PLANNING AND OVERSIGHT COMMITTEE" shall hold no less than one properly noticed public hearing prior to its adoption and submittal to the Oakland City Council of a Four Year Strategic Plan and corresponding program funding recommendations. The Oakland City Council shall hold no less than one public hearing prior to its adoption of a Four Year Strategic Plan, corresponding program funding recommendations, and evaluation reports.

12. No more than five percent of the monies in the KIDS FIRST! Oakland Children's Fund may be used by the City Manager each fiscal year to administer the Fund.

13. No more than three percent of the monies in the KIDS FIRST! Oakland Children's Fund shall be set aside each fiscal year to conduct an independent process and outcome evaluation of the Fund.

14. The KIDS FIRST! Oakland Children's Fund shall be used exclusively to increase the aggregate City appropriations and expenditures for children and youth services (exclusive of expenditures mandated by state or federal law). To this end, the City of Oakland shall not reduce the amount of unrestricted general fund appropriations and expenditures for eligible services in any of the twelve years during which funds are required to be set aside under this section below the amount so appropriated for the fiscal year 1995-1996 ("base amount").

Not later than 90 days after the election which approves this section, the City Auditor shall calculate and publish the applicable base amount, specifying by department, program and services each amount included in the base amount. The base amount shall be adjusted for each year after the base year of 1995-1996, based on calculations consistent from year to year, by the percentage increase or decreases in aggregate City appropriations from the base year, as estimated by the City Auditor. Errors in the City Auditor's estimate of appropriations for a fiscal year shall be corrected by an adjustment in the next year's estimate. For purposes of this subsection, aggregate City appropriations shall not include funds granted to the City by private agencies or appropriated by other public agencies and received by the City.

Within 90 days following the end of each fiscal year through 2009-2010, the City Auditor shall calculate and publish the actual amount of City of Oakland appropriations for children and youth services (exclusive of expenditures mandated by state or federal law).

15. If any provisions of this section, or its application to any person or circumstances, shall be held invalid or unenforceable, the remainder of this section and its application shall not be affected; every provision of this section is intended to be severable.

16. This section may be extended for an additional twelve years beginning July 1, 2009 by a simple majority vote of the City Council. If the City Council does not itself extend this section, then the City Council shall place the questions of whether to extend this section on the November

ber 2008 ballot for a vote of the electorate. (Added by: Stats. November 1996.)

### **Fund Revenue**

Section 1300. Notwithstanding any other provision of law, effective July 1, 2009 and continuing through June 30, 2011, the KIDS First! The Oakland Fund for Children and Youth ("Fund") shall receive revenues in an amount equal to 1.5% of the City of Oakland's annual total revenues and appropriated as specified in this Act each year, together with any interest earned on the Fund and any amounts unspent or uncommitted by the Fund at the end of any fiscal year. The actual funds deposited in the Fund pursuant to this Act shall only come from unrestricted revenues of the City of Oakland. For purposes of this Act, Fund shall mean the fund established pursuant to Measure K which was approved by the voters of Oakland in 1996 and which shall continue in existence.

Notwithstanding any other provision of law, effective July 1, 2011, the Fund shall receive revenues in an amount equal to 2.5% of the City of Oakland's annual total revenues and appropriated as specified in this Act each year, together with any interest earned on the Fund and any amounts unspent or uncommitted by the Fund at the end of any fiscal year. The actual funds deposited in the Fund pursuant to this Act shall only come from unrestricted revenues of the City of Oakland.

No less than 90% of the monies in the Fund shall be used to pay for eligible services for children and youth. No more than 10% of the monies in the Fund may be used for independent third-party evaluation, strategic planning, grant-making, grants management, training and technical assistance, and communications and outreach to ensure effective public participation.

Not later than 90 days after the end of each fiscal year, beginning with fiscal year 2009-2010, the City Auditor shall complete a financial audit, and verify that the City of Oakland set aside for the Fund the correct amount of monies for that fiscal year, together with any interest earned on the Fund and any amounts unspent by the Fund at the end of that fiscal year. If the City Auditor finds that in any fiscal year the amount of funds set aside for the Fund is less than the prescribed percentage of all City of Oakland revenues, the City of Oakland shall provide monies to the Fund so that the correct amount is received by the Fund within the next two fiscal years.

### Eligible Services

Section 1301. Monies in the Fund shall be used exclusively to:

1. support the healthy development of young children through pre-school education, school-readiness programs, physical and behavioral health services, parent education, and case management;
2. help children and youth succeed in school and graduate high school through after-school academic support and college readiness programs, arts, music, sports, outdoor education, internships, work experience, parent education, and leadership development, including civic engagement, service-learning,

ing, and arts expression;

3. prevent and reduce violence, crime, and gang involvement among children and youth through case management, physical and behavioral health services, internships, work experience, outdoor education, and leadership development, including civic engagement, service-learning, and arts expression;
4. help youth transition to productive adulthood through case management, physical and behavioral health services, hard-skills training and job placement in high-demand industries, internships, work experience, and leadership development, including civic engagement, service-learning, and arts expression.

### Excluded Services

Section 1302. Monies in the Fund shall not be appropriated or expended for:

1. any service which merely benefits children and youth incidentally;
2. acquisition of any capital item or real property not for primary and direct use by children and youth;
3. maintenance, utilities or any similar operating cost of any facility not used primarily and directly by children and youth;
4. any service for which a fixed or minimum level of expenditure is mandated by state or federal law, to the extent of the fixed or minimum level of expenditure.

### Strategic Investment Plan

Section 1303. Appropriations from the Fund shall be made pursuant to a Three-Year Strategic Investment Plan, with the first Plan beginning July 1, 2010.

Appropriations made by the Fund for fiscal year 2008-2009 shall be carried forward to fiscal year 2009-2010 including modifications recommended by the Planning & Oversight Committee, pursuant to performance review.

Each Three-Year Strategic Investment Plan shall be developed with the involvement of young people, parents, and service providers throughout the city, and the Oakland Unified School District, the County of Alameda, and the City of Oakland. Each Three-Year Strategic Investment Plan shall take into consideration the results and findings of the independent third-party evaluation

Three-Year Strategic Investment Plan shall:

1. identify current service needs and gaps relative to addressing this measure's four outcome goals:
  - a. support the healthy development of young children;
  - b. help children and youth succeed in school and graduate high school;
  - c. prevent and reduce violence, crime, and gang involvement among young people;
  - d. prepare young people for healthy and productive adulthood.
2. describe specific three-year program initiatives that address the needs and gaps relative

to each outcome goal, including:

- a. target population
  - b. performance and impact objectives
  - c. intervention strategy
  - d. evaluation plan
  - e. funding allocations
3. describe how each three-year program initiative is aligned and coordinated with other public and private resources to achieve maximum service performance and youth impacts.

Each Three-Year Strategic Investment Plan shall be evaluated for its service performance and youth impact results by an independent third-party evaluator.

#### Open and Fair Application Process

Section 1304. All monies in the Fund shall be appropriated, pursuant to a Three-Year Strategic Investment Plan, to private non-profit and public agencies through an open and fair application process.

#### Planning & Oversight Committee

Section 1305. The Children's Fund Planning and Oversight Committee ("Planning and Oversight Committee") established pursuant to Measure K which was approved by the voters of Oakland in 1996 shall continue to operate. Effective July 1, 2009, the Mayor shall only be permitted to appoint one (1) Oakland resident and shall therefore remove two of his previous appointments no later than June 30, 2009.

The Planning & Oversight Committee shall be responsible for:

1. preparing Three-Year Strategic Investment Plans;
2. soliciting funding applications from private non-profit and public agencies through an open and fair application process;
3. submitting to the Oakland City Council for its adoption Three-Year Strategic Investment Plans and funding recommendations;
4. submitting to the Oakland City Council for its adoption annual independent evaluation reports;
5. receiving City Auditor annual reports on the Fund's Financial Statement and the Base Spending Requirement.

#### Base Spending Requirement

Section 1306. Monies in the Fund shall be used exclusively to increase the total amount of City of Oakland expenditures for services to children and youth that are eligible to be paid from the Fund as defined in this section. The City of Oakland shall not reduce the amount of expenditures for eligible services in any fiscal year paid from sources other than the Fund below the Base Spending Requirement.

The Base Spending Requirement is the amount required based on the application of the base year percentage to the total audited actual City expenditures in a fiscal year.

The Base Year Percentage is defined by the ratio of audited actual expenditures for eligible services for children and youth paid from sources other than the Fund to total City audited actual expenditures in a fiscal year.

The base year is defined as the fiscal year beginning July 1, 2008 and ending June 30, 2009.

Not later than October 1, 2009 the City Auditor shall calculate and publish the Base Year Percentage, and shall specify by City Department each eligible service, budget expenditure amount, and funding source included in the calculation of the base year eligible services.

Not later than 90 days after the end of each fiscal year beginning with fiscal year 2009-2010, the City Auditor shall verify that the City of Oakland expended funds each year for eligible services in an amount no less than the amount required under the Base Spending Requirement, except to the extent that the City of Oakland ceases to receive federal, state, county, or private foundation funds that the funding agency required to be spent only on those services.

If the City Auditor finds that in any fiscal year the amount of funds expended for eligible services is less than the Base Percentage Requirement, the City of Oakland shall increase expenditures for eligible services within the following two years so that the correct amount of funds is expended.

Monies from the Fund shall not be appropriated for services that substitute for or replace services included in the City Auditor's Base Spending Requirement, except to the extent that the City of Oakland ceases to receive federal, state, county, or private foundation funds that the funding agency required to be spent only on those services.

#### **Section 4. Severability.**

If any provision of this Act or any application thereof to any person or circumstance is held invalid, such invalidity shall not affect any provision or application of this Act that can be given effect without the invalid provision or application. To this end, the provisions of this Act are severable.