

C. Candidate for **SCHOOL DIRECTOR, DISTRICT**

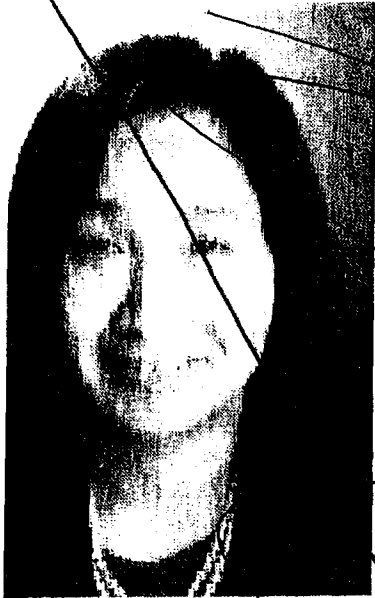
JEAN QUAN, hereby declare that I am a candidate for an elective office in the City of Oakland, and make the following statement, to wit:

Attach A

CITY OF OAKLAND

PROPOSED MEASURE

TO BE VOTED UPON AT THE MUNICIPAL NOMINATING ELECTION CONSOLIDATED WITH THE DIRECT PRIMARY ELECTION TO BE HELD IN THE CITY OF OAKLAND ON TUESDAY, JUNE 7, 1994



1. That my name is Jean Quan.
2. The office for which I am a Candidate is School Director, District 4.
3. My occupation for the past 5 years has been: working nearly full-time as the incumbent school board director. Additionally, as a National Kellogg Leadership Fellow I studied urban and multicultural education issues. I have also worked part-time as an advocate for child welfare programs and labor negotiator/representative.
4. I have held the following public office: School Board Director Incumbent.

THE PROPOSED ORDINANCE TOGETHER WITH, LEGAL ANALYSIS OF THE MEASURE PREPARED BY THE CITY ATTORNEY, FINANCIAL ANALYSIS OF THE MEASURE PREPARED BY THE CITY AUDITOR, ARGUMENTS IN FAVOR OF ADOPTION AND ARGUMENTS AGAINST ADOPTION AND REBUTTALS TO ARGUMENTS IN FAVOR AND REBUTTALS TO ARGUMENTS AGAINST. ARGUMENTS IN SUPPORT OR OPPOSITION OF THE PROPOSED LAW ARE THE OPINIONS OF THE AUTHORS.

Copies of this Pamphlet in Spanish may be obtained by calling 238-3611.

Se pueden obtener copias de este panfleto en español llamando por teléfono al 238-3611.

Statement of general qualifications: As a public school parent, I've put "kids first" and fought to provide quality education for all children by: • Reducing bureaucratic overhead, expanding local school site decision-making, and increasing fiscal accountability. • Successfully lobbying for restoration of desegregation funds, \$7.9 million annually; building modernization/earthquake retrofitting, \$150 million; retention of redevelopment funds for vocational academies, \$1.4 million annually; and a new Chabot Science Center, national model for science and teacher training, \$18 million. • Spearheading district wide Earthquake/Emergency Preparedness Planning for school sites. • Initiating \$2 million in Proposition I improvements for school emergency communication equipment and shelter facilities. • Constructing an Educational Plan/core curriculum to raise math, science, vocational education, and multicultural requirements. • Leading efforts to expand student access to computers and technology. • Organizing monthly advisory meetings to hear concerns, share information, and discuss key issues with parents and the public. I'm seeking your support to continue to reform and improve our schools.

The Council of the City of Oakland does hereby submit on its own motion the following proposed ordinance to be voted on by the qualified electors of the City of Oakland at the Municipal Nominating Election consolidated with the Direct Primary Election to be held in the City of Oakland on Tuesday, June 7, 1994.

The signatures of not more than twenty nor less than ten residents of the City of Oakland sponsoring my candidacy are as follows:

- Cornell C. Maier
- Marvin R. Smith
- Eleanor G. Locke
- Beth Van Arkel
- Jime Ko
- Hon. Frank Ogawa
- Millie Cleveland
- Pat Ford
- Vickie Carter
- Hon. Ignacio De la Fuente

- Stan Weisner
- Bonnie Bouey
- Judith Farrell
- Loretta Henry
- Hon. Keith Carson
- Teresa Salvatore
- Dr. Tolbert Small
- Joseph Sklar
- Hon. Susan Smartt
- Hon. Alan Lee

Signed Jean Quan *

PROPOSED ORDINANCE

0 MEASURE O: LIBRARY SERVICES RETENTION AND ENHANCEMENT ACT OF 1994. Shall the City of Oakland impose a special tax to provide funds necessary to maintain and enhance library services?	YES
	NO

FULL TEXT OF MEASURE O

LIBRARY SERVICES RETENTION AND ENHANCEMENT ACT OF 1994

Be It Ordained by the People of the City of Oakland as follows:

Section 1. TITLE AND PURPOSE

- (A) Title. This Ordinance may be cited as the "Library Services Retention and Enhancement Act of 1994."
- (B) Purpose. The tax imposed under this Ordinance is solely for the purpose of raising revenue necessary to retain and enhance library services in the City of Oakland.

In recognition of the potential hardship on low-income families and enterprises, the Ordinance provides a complete exemption from the tax for low-income homeowners, non-profit residential hotels, schools, hospitals, churches, and land used for agricultural purposes.

The Library Services Retention and Enhancement Act of 1994 is for the sole purpose of raising revenue that will be utilized for library services. This special tax is not an ad valorem tax on real property nor a transaction tax nor sales tax on the sale of real property within the City.

Section 2. USE OF PROCEEDS

The proceeds of this tax may only be used in accordance with the following objectives:

1. to keep neighborhood libraries open a minimum of 5 days per week;
2. to retain availability of library services at the Main Library 7 days per week;
3. to enhance and expand library collections;
4. to provide educational and cultural programs for youth in every library;
5. to expand library-based programs in support of literacy, lifelong learning and information technology; and
6. to operate an African-American museum and library program.

Section 3. DEFINITIONS

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

- (A) "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".
- (B) "Exempt Organization" shall mean a nonprofit organization that is exempt from taxation under Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code.
- (C) "Family" shall mean one or more persons related by blood, marriage 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.
- (D) "Hotel" shall mean any Building, or portion of a Building that is occupied or intended or designed for Occupancy by Transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home, house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar Building or portion thereof.

- (E) "Improvements" shall mean all Buildings, structures, fixtures, fences and paving in the City erected or affixed to land, and all items which are permanently affixed to land which have become a part of real property by having been physically incorporated therein or permanently affixed thereto.
- (F) "Non-Residential" shall mean all parcels that are not classified by this Ordinance as Residential Units, and shall include, but not be limited to, industrial, commercial and institutional Improvements, as well as Vacant Parcels.
- (G) "Occupancy" shall mean the use or possession, or the right to the use or possession of any room or rooms or portion thereof, in any Hotel for dwelling, lodging or sleeping purposes.
- (H) "Operator" shall mean the Person who is a proprietor of a Hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee or any other capacity. Where the Operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall be deemed an Operator for the purposes of this Ordinance.
- (I) "Owner" shall mean the Person having title to real estate, as shown on the most current official assessment roll of the Alameda County Assessor.
- (J) "Parcel" shall mean a unit of real estate in the City of Oakland as shown on the most current official assessment roll of the Alameda County Assessor.
- (K) "Person" shall include individuals, and for profit and non-profit organizations, including, but not limited to, corporations, partnerships, business associations and trusts.
- (L) "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.
- (M) "Residential Unit" shall mean a Building or portion of a Building designed for or occupied exclusively by one Family.
- (N) "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.
- (O) "Vacant Parcel" shall mean an unimproved Parcel, but shall not include unimproved Parcels which have been dedicated as open space or parklands.
- (P) "Main Library" is defined as the central library of the Oakland Public Library system.
- (Q) "Library Collections" are defined as books, magazines, newspapers, electronic databases and equipment that facilitates the use of those items, materials for public use that are in video and audio formats, as well as learning materials used to enhance reading and literacy skills.

Section 4. IMPOSITION OF PARCEL TAX

There is hereby imposed a special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by Section 6 of this Ordinance.

The tax imposed by this Section shall be assessed to the Owner unless the Owner is by law exempt from taxation, in which case, the tax imposed shall be assessed to the holder of the Possessory Interest in such parcel, unless such holder is also by law exempt from taxation.

The tax he imposed shall be at the following rates:

- (A) For all single family Residential Parcels, the tax shall be at the annual rate of \$29.28 per Parcel.
- (B) For all multiple unit Residential Parcels, the tax shall be at the annual rate of \$20 per Residential Unit located on such Parcels, with the following exception: if a majority of the Residential Units have been vacant for 6 months or more, the rate shall be reduced by 50% to \$10.00 per Residential Unit located on the Parcel.
- (C) For Non Residential Parcels, the tax rate shall be at the annual rate of \$15 for every Single Family Residential Unit Equivalent. Single Family Residential Unit Equivalents will be based on square footage and frontage and by land use category as follows:

LAND USE CATEGORY	FRONTAGE (FT)	AREA (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 a commercial or institutional parcel with a frontage of 160 feet and an area of 12,800 sq. ft.:

Frontage	Area	
160 FT	12,800 SF	
80 FT/SFE = 2 SFE;	6,400 SF/SFE = 2 SFE	
2 SFE	+ 2 SFE	= 4 SFE;
		4 SFE x \$15 = \$60

Section 5. HOTELS

The tax imposed by this Ordinance shall be imposed on each Hotel within the City in accordance with the following:

1. Residential Hotels. If rooms in a Hotel were occupied by individuals who were not Transients for 80% or more of the previous fiscal year, such Hotel shall be deemed a Residential Hotel, and such rooms shall be deemed Residential Units and shall be subject to the Parcel tax imposed on Residential Units. The remainder of the Building shall be subject to the applicable Square Footage tax computed in accordance with the Single Family Residential Unit Equivalent calculations.
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 5, Article 20 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, Industrial, and shall be subject to the Square Footage and Single Family Residential Unit Equivalent calculations set forth in Section 4(C), and the Parcel tax imposed on Residential Units shall not apply.

Section 6. EXEMPTIONS

The tax imposed by this Ordinance shall be subject to the exemptions set forth in this section.

- (A) Low-Income Homeowner 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 calendar 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 Finance of the City of Oakland in the manner and at the 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 provide 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.

- (B) Low-Income Residential Hotel Exemption. Notwithstanding the apportionment requirements of Section 5.1 above, there are exempt from the tax imposed by this Ordinance Owners and Operators of Residential Hotels owned and operated by Exempt Organizations or by limited partnerships in which the controlling general partner is an Exempt Organization. This exemption shall only apply if the Residential Hotel is subject to a recorded regulatory agreement between the Owner and the State of California or a federal or local public agency, and if, pursuant to such regulatory agreement, the Owner is obligated to maintain rents in the Residential Hotel at "affordable" levels and rent to "low income" persons as such terms are defined in the applicable regulatory agreement. Owners must apply for this exemption to this tax annually by petition to the Director of Finance of the City of Oakland in the manner and at the time set forth in procedures established by the Director of Finance.

Section 7. REDUCTION IN TAX; RATE ADJUSTMENT

- (A) Subject to paragraph (B) of this Section 7, the tax rates imposed by this Ordinance are maximum rates and may not be increased by the City Council above such maximum rates. The tax imposed by this Ordinance may be reduced or eliminated by the City Council for a subsequent fiscal year upon a vote of the City Council on or before June 30th in any year in which the City Council determines that after such reduction or elimination there will be sufficient revenues available to balance the City Council's Adopted Policy Budget. Such reduction or elimination shall be effective for the fiscal year following such vote.
- (B) After the third year of imposition of this tax, 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, as shown on the Consumer Price Index (CPI) for all items in the San Francisco Bay Area as published by the U.S. Department of Labor Statistics, has increased; the increase of the tax imposed hereby shall not exceed such increase, using 1994 as the index year. It is further provided that in no event shall the tax rate adjustment imposed hereby exceed, on an annual basis, five percent (5%) of the tax rates imposed by the City of Oakland pursuant to this Ordinance during the immediately preceding fiscal year.

Section 8. MINIMUM LIBRARY APPROPRIATION PREREQUISITE AT FISCAL YEAR 93-94 LEVEL

For any year during which this tax is in effect, the City Council may collect this tax only if the General Fund appropriation for Library services is maintained at a level that is no lower than the General Fund appropriation for fiscal year 1991-92. The General Fund appropriation for Library services for fiscal year 1991-92 was \$7.8 million.

Section 9. TERM OF TAX IMPOSITION

The tax imposed by the Library Services Retention and Enhancement Act of 1994 shall become effective on December 1, 1994 and shall continue in effect for 15-years

thereafter. The tax imposed by this Ordinance shall be deemed extended for an additional 15 year period if on or before June 30th of 2009, the City Council submits an ordinance to the voters of the City of Oakland extending this tax, and the voters approve such extension. The tax imposed by this Ordinance shall remain in full force and effect during the pendency of such election if it is held subsequent to June 30th of 2009. In the event that this Ordinance is extended as provided in this section, this Ordinance shall be deemed extended for all purposes and such extension shall relate back to the original passage of this Ordinance and shall not constitute a reimposition of the tax imposed by this Ordinance.

Section 10. ANNUAL AUDIT

The City Auditor will perform an annual audit to assure accountability and the proper disbursement of the proceeds of this tax in accordance with the objectives stated herein.

Section 11. DUTIES OF THE DIRECTOR OF FINANCE; NOTICE OF DECISIONS

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

Said Director of Finance is hereby 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 Section 15, 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 12. 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 he/she 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.

Section 13. COLLECTION OF TAX; INTEREST AND PENALTIES

The City Council of the City of Oakland is authorized to have the taxes imposed by this Ordinance collected by the County of Alameda in conjunction with the County's collection of property tax revenues for the City of Oakland. In the event that the County of Alameda collects the taxes imposed by this Ordinance, the imposition of penalties, additional fees and interest upon persons who fail to remit any tax imposed by this Ordinance, or who fail to remit any delinquent remittance under this Ordinance, shall be subject to and governed by the rules, regulations, and procedures utilized by the County of Alameda in its collection of property taxes for the City of Oakland and its collection of additional tax for the City of Oakland.

In addition to any other penalties otherwise imposed, a one-time penalty at a rate set by the City Council, which in no event shall exceed 25% of the tax due per year, is hereby imposed by this Ordinance on all taxpayers who fail to timely pay the tax provided by this Ordinance, in addition, interest shall be assessed at the rate of 1% per month on the unpaid tax and the penalty thereon.

Every penalty imposed and such interest as accrues under the provisions of this Ordinance shall become a part of the tax herein required to be paid.

Section 14. COLLECTION OF UNPAID TAXES

The amount of any tax, penalty, and interest imposed under the provisions of this Ordinance shall be deemed a debt to the City. Any person owing money under the provisions of this Ordinance shall be liable to an action brought in the name of the City for the recovery for such amount.

Section 15. 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 therefor, 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 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 whom it was collected or by whom paid, and the balance may be refunded to such Person, his/her administrators or executors.

Section 16. SAVINGS CLAUSE

The provisions of this Ordinance shall not apply to any Person, or to any property as to whom or which it is beyond the power of the City of Oakland to impose the tax herein provided. If any provision, sentence, clause, section or part of this Ordinance is found to be unconstitutional, illegal or invalid, 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 to be the intention of the City of Oakland, that this Ordinance would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section or part thereof not been included herein.

Section 17. MISDEMEANOR VIOLATION

Any Person 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 by a fine of not more than \$1,000 or by imprisonment for a period of not more than one year, or by both such fine and imprisonment.

The penalties provided in this section are in addition to the several remedies provided in this Ordinance, or as may otherwise be provided by law.

Section 18. BOARD OF REVIEW

Any Person dissatisfied with any decision of the Director of Finance 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 of Finance. 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 City Manager's Office, One City Hall Plaza, 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 Library Services Retention and Enhancement Tax Records.

Any tax, penalty or interest found to be owing 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.

Section 19. REGULATIONS

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

Section 20. NO AMENDMENT

This Ordinance may not be amended by action of the City Council without the applicable voter approval.

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE O

This proposed Ordinance, the "Library Services Retention Act of 1994," would impose a City-wide special tax to fund City library services. If adopted, the tax would be in effect for fifteen years and it could only be extended upon voter approval. It is estimated that this tax would provide revenues necessary to finance the operation of the City's libraries at a level to permit: (1) neighborhood libraries to remain open 5 days per week; (2) retaining library services at the Main Library 7 days per week; (3) enhancement and expansion of library collections; (4) educational and cultural programs for youth in every library; (5) expansion of programs for literacy, lifelong learning and information technology; and (6) operation of an African-American museum and library program. The Ordinance allows the City Council to adjust the annual tax rates by a maximum of 5% after the third year of the tax's implementation, consistent with annual increases in the cost of living in the San Francisco Bay Area. The Ordinance provides an exemption from the tax for low-income homeowners and nonprofit residential hotels. To qualify for the low-income exemption, taxpayers must provide documentation of their income.

The tax is based upon a per parcel rate of \$29.28 for single family residential unit and \$20 per unit for multi-unit residential parcels and \$15 per "single family equivalent" unit for nonresidential parcels, such as industrial and commercial property. The multi-unit residential rate is reduced by 50% to \$10 per unit if the majority of the residential units on such parcel have been vacant at least 6 months. For the different categories of nonresidential property, tax liability is based on a standard measurement determined to be the equivalent of a single family residential unit. This formula is expressed in terms of parcel frontage and area. The tax for such properties is the product of \$15 times the number of "single family equivalents" ("SFE") for the particular nonresidential property. Example: an industrial parcel with a frontage of 80 feet and an area of 6400 square feet is the equivalent of one single family unit (1 SFE); another industrial parcel with a frontage of 160 feet (computed as 2 SFEs, as $160 \div 80 = 2$) and an area of 19,200 square feet (computed as 3 SFEs, as $19,200 \div 6400 = 3$) would pay tax of \$75. Thus 2 SFEs + 3 SFEs = 5 SFEs and such 5 SFEs \times the nonresidential tax rate of \$15 = \$75.

The tax is estimated to generate approximately \$4,079,344 in revenues, before allowable exemptions and county collection fees, during each of the first three fiscal years.

Ordinances adopted by the voters for special taxes similar to this proposed ordinance have been upheld by the California Supreme Court.

s/Jayne W. Williams
City Attorney

PROPOSED ORDINANCE

A Proposed Ordinance extending the “Library Services Retention and Enhancement Act of 1994” and amending Section 2, Use of Proceeds, in order to expand the services funded by the Act; amending Section 4, Imposition of Parcel Tax, in order to increase the Parcel Tax Levy; amending Section 8, Minimum Library Appropriation Prerequisite at Fiscal Year ~~93-94~~ 2000-01 Level, in order to increase the minimum general fund appropriation level; and amending Section 9, Term of Taxation, in order to extend collection of the tax for an additional 15 years.

CITY ATTORNEY’S IMPARTIAL ANALYSIS OF MEASURE Q

Proposition 218 (California Constitution Article 13C) requires that voters approve any increase in taxes. This measure asks that Oakland voters approve changes to the current parcel tax, which provides funding for library services. A two-thirds (2/3) vote of approval is required to pass the tax.

This measure would amend the existing library tax by both increasing the parcel tax funding for City library services and extending by 15 years the life of the parcel tax.

The proceeds of the tax may be used only (1) to keep branch and the main libraries open, (2) to expand library collections, education and cultural programs for youth, literacy and information technology programs, (3) to operate the African-American museum and library program, (4) for joint educational activities with local schools, (5) for children’s librarians, (6) for operation of a joint school-public library in East Oakland, computer upgrades, and (7) for after-school homework and teen programs.

For residential property parcels, the proposed amendments would increase the existing parcel tax annual rate as follows: (1) from \$36.06 to \$75.00 for single-family parcels; and (2) from \$24.63 to \$47.82 per unit for multi-unit residential parcels.

For non-residential parcels the tax rate would increase from \$18.47 to \$35.85 per “Single Family Equivalent” (“SFE”). This measure does not change the definition of SFE or the formula that the current parcel tax law uses to calculate the parcel tax on non-residential parcels. The tax for a non-residential parcel is calculated by multiplying the number of SFEs by the tax rate.

To calculate the tax for a non-residential parcel, a property owner would determine the parcel’s “land use category” and the number of SFEs in the property’s “Frontage” (width of the front of the property) and “Area” (square footage of the property). (See Table below.) For example, a commercial/institutional property with frontage of 160 feet and an area of 6,400 has a total of three SFEs. The frontage of 160 feet equals two SFEs because each 80 feet of frontage equals one SFE; the 6,400 area equals one SFE because each 6,400 square feet of area equals one SFE. The annual tax for the property therefore would be three times the new tax rate of \$35.85 per SFE or \$107.55. (See Table below.)

CITY OF OAKLAND MEASURE Q

<p>Q MEASURE Q: LIBRARY AND EDUCATION SERVICES RETENTION AND ENHANCEMENT ACT. For the purpose of: (1) maintaining and expanding neighborhood branch library services, days, and hours; (2) maintaining after school homework and tutoring programs; (3) maintaining literacy and children’s programs; (4) increasing librarian services to schools; (5) increasing computer and technology access and (6) acquiring new books and materials; shall the City of Oakland extend and increase the existing library parcel tax, subject to independent audits and citizen’s oversight commission?</p>	YES
	NO

CITY ATTORNEY’S BALLOT TITLE AND SUMMARY OF MEASURE Q

Ballot Title

Library and Education Services Retention and Enhancement Act. Parcel Tax Funding For Neighborhood Branch Library Services, After School Homework And Tutoring Programs, Literacy And Children’s Programs, School Librarian Services, Computer And Technology Access, and For Library Books And Materials.

Ballot Summary

This measure amends the Library Services Retention and Enhancement Act that Oakland voters passed in 1994 (“1994 Parcel Tax”). The 1994 Parcel Tax will expire in 2009 unless voters pass this or some similar measure before the automatic sunset date of 15 years after its original passage.

This measure would provide funding for library services by increasing the current parcel tax and extending the term of the 1994 Parcel Tax on residential and non-residential parcels to 2024. All other provisions of the 1994 Parcel Tax will remain the same.

s/JOHN A. RUSSO
City Attorney

LAND USE CATEGORY	FRONTAGE (FEET) PER Single Family Equivalent	AREA (SQUARE FEET) PER Single Family Equivalent
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

The current tax will expire in 2009 unless voters pass this or another measure that extends the life of the tax. If Oakland voters pass this measure, the tax will be in effect until 2024.

This measure provides that the City may collect this tax only if it provides a minimum of \$9,059,989 of funding for libraries each fiscal year.

s/JOHN A. RUSSO
City Attorney

CITY AUDITOR'S IMPARTIAL FINANCIAL ANALYSIS OF MEASURE Q

This measure amends the Library Services Retention and Enhancement Act of 1994. The proposed amendments will increase the existing parcel tax rates in order to meet estimated revenue shortfalls for programs funded by the Act. This Measure also includes expanded ways the funding can be used to enhance library services.

The City Council shall designate or appoint a body composed of Oakland citizens to make recommendations and review fund expenditures.

FISCAL IMPACT

The City of Oakland estimates the total parcel tax will be \$5.14 million in fiscal year 2003-2004 under the original measure. The approval of Measure Q will generate a total parcel tax estimated to be \$10.7 million in fiscal year 2004-2005. This represents an estimated \$5.56 million increase in the total parcel tax to fund library services approved under Measure Q. The parcel tax information is as follows:

<u>Unit Type</u>	<u>Proposed Tax Rate in Fiscal Year 2004-2005</u>	<u>Existing Tax Rate in Fiscal Year 2003-2004</u>	<u>Proposed Increase in Rate</u>
Single Family Residential	\$75.00	\$36.06	\$38.94
Multiple Unit Residential	51.24	24.63	26.61
Non-Residential	38.41	18.47	19.94

The City Council may increase the proposed parcel tax rate as shown above after the first three years the tax is imposed. The increase will be based on changes in the cost of living as measured by the Consumer Price Index for the immediate San Francisco Bay Area with 1994 as the base year. The increase is limited to 5% of the parcel tax rate in effect the previous fiscal year on an annualized basis.

For the parcel tax to be collected, the General Fund appropriation for library services must be at least the appropriated amount in fiscal year 2000-2001. This appropriation amount was \$9,059,989.

A Reserve Fund is to be established and maintained each year using the proceeds from the parcel tax. The Reserve Fund is to be maintained at an amount equal to 5% of the total parcel tax collected in the preceding fiscal year. With the exception of this Reserve Fund, the allocation of funding among approved uses of the proceeds will vary according to adoption of annual budgets by the City Council.

All funds collected by the City from imposition of the tax shall be deposited into a special fund in the City treasury and appropriated and expended only for the purposes authorized by this Measure.

The original measure was to remain in effect until December 1, 2009. Measure Q will amend the original measure and be effective thirty days after the City Council adopts the election results. The Measure will also include a new scheduled phase out date of June 30, 2024.

Although our estimates are based upon the best data available at this time, it is difficult to make such estimates with precision; therefore, the actual results may vary from our estimates.

s/ROLAND E. SMITH, CPA, CFS
City Auditor

ARGUMENT IN FAVOR OF MEASURE Q

In 1994, Oakland voters approved a \$36 parcel tax to fund essential library services. Because of increased costs due to new neighborhood branches, new technology needs and State budget cuts, this assessment is no longer sufficient to keep libraries open.

Measure Q would increase the existing library assessment by about 10 cents per day to ensure that Oakland neighborhood branch libraries remain open. These neighborhood libraries serve school children that lack school libraries and provide tutoring, homework assistance and access to computers.

Measure Q will:

- Keep the main library open 7 days a week and neighborhood libraries 6 days a week
- Provide after-school programs and homework tutoring for youth
- Provide children's services at every library
- Maintain literacy programs that teach Oakland residents to read
- Preserve free access to computers and the Internet to low-income children and families
- Provide library services to public schools

Measure Q requires annual audits and an independent citizens oversight committee to ensure Measure Q dollars are spent as promised.

Every branch library in Oakland will receive funding from Measure Q. No funds will go to the State or other communities. Every dollar will stay in Oakland.

Measure Q will ensure that our neighborhood branch libraries remain open and accessible for students, families, seniors and other residents.

Please vote YES on Measure Q.

s/ISHMAEL REED

Author

s/TRACEY SCOTT

Chair, Oakland Public Library Advisory Commission

s/CARMEN MARTINEZ

Director, Oakland Public Library

s/SHEILA QUINTANA

President, Oakland Teacher's Union

s/JERRY BROWN

Mayor of Oakland

**NO ARGUMENT AGAINST MEASURE Q
SUBMITTED.**

FULL TEXT OF MEASURE Q

WHEREAS, in 1994, Oakland voters approved, by more than a two-thirds majority, Measure O, the Library Services Retention and Enhancement Act (the "Act"); and

WHEREAS, the Act imposes a parcel tax on residential and non-residential parcels for the purpose of raising revenue that will be used solely for the purpose of retaining and enhancing library services; and

WHEREAS, operating and labor costs for library services have escalated at a pace far greater than the revenues generated by the Act; and

WHEREAS, the City anticipates a \$1.1 million dollar revenue shortfall for programs funded by the Act during fiscal year 2004/05; and

WHEREAS, such shortfall, if realized, will impact library hours, book collections and programs; and

WHEREAS, the City values its public library system and its commitment and significant contributions to community education programs, literacy programs, lifelong learning, information technology and the literary heritage of our City; and

WHEREAS, the City Council on its own motion, desires to submit to the qualified electors of the City a proposed ordinance amending certain sections of the Act and extending the sunset date of the Act; and

WHEREAS, the proposed amendments would increase the existing parcel tax rate for single family parcels from \$36.06 to \$75.00; for multi-unit residential parcels from \$24.63 to \$47.82; and for non-residential parcels from \$18.47 to \$35.85, in order to eliminate the projected revenue shortfall and to fund expanded operating hours, enhance book collections and materials, expand literacy programs; support joint programs with Oakland Public Schools, and upgrade library technology and computer access; and

WHEREAS, all revenues received from the Act, as amended, will be expended exclusively for library services; and

NOW, THEREFORE, BE IT RESOLVED:

That the City Council of the City of Oakland does hereby submit to the voters at the March 2, 2004 special election the text of the proposed amendments to the Library Services Retention and Enhancement Act of 1994, which shall read as follows:

SECTION 1. The Library Services Retention and Enhancement Act of 1994 is hereby amended to add, delete, or modify Sections 2, 4, 6, 8 and 9 as set forth below (section numbers and titles are indicated in **bold type**; additions are indicated by underscoring and deletions are indicated by ~~strike-through type~~; portions of the regulations not cited or not shown in underscoring or strike-through type are not changed).

Section 2. USE OF PROCEEDS

The proceeds of this tax may only be used in accordance with the following objectives:

1. to keep neighborhood libraries open a minimum of ~~5~~ six days per week and increase weekend hours;

2. to retain availability of library services at the Main Library 7 days per week;
3. to enhance and expand library collections, including the acquisition of new books and materials;
4. to continue to provide educational and cultural programs for youth in every library, including after school tutoring and literacy and children's programs;
5. to expand library-based programs in support of literacy, lifelong learning and information technology;
6. to operate an African-American museum and library program: ~~and~~
7. to increase joint educational activities with local schools including librarian services;
8. to retain children's librarians in every library facility;
9. to operate the new joint school-public library in East Oakland;
10. to upgrade and enhance information technology in all libraries and improve access to computers and technology in the libraries;
11. to support after-school homework programs; and
12. to support teen programs.

The City shall establish a Reserve Fund and maintain therein the "Reserve Fund Requirement." The Reserve Fund Requirement shall be calculated by the City on each January 1 and shall be, as of the date of calculation, five percent (5%) of the total amount of parcel tax collected by the City in the previous fiscal year. The Reserve Fund shall be funded from proceeds collected under this ordinance.

Amounts on deposit in the Reserve Fund may be expended only for the purposes set forth in this ordinance and upon appropriation by the City Council expressly from the Reserve Fund.

Section 4. IMPOSITION OF PARCEL TAX

There is hereby imposed a special tax on all parcels in the City of Oakland, except where the parcels are otherwise exempt from taxation by Section 6 of this Ordinance. All funds collected by the City from the imposition of the tax shall be deposited into a special fund in the City treasury and appropriated and expended only for the purposes authorized by this Ordinance.

The tax imposed by this Section shall be assessed to the Owner unless the Owner is by law exempt from taxation, in which case, the tax imposed shall be assessed to the holder of the Possessory Interest in such parcel, unless such holder is also by law exempt from taxation.

The tax hereby imposed shall be at the following rates:

- (A) For all single family Residential Parcels, the tax shall be at the annual rate of \$75.00 ~~\$29.28~~ per Parcel.
- (B) For all multiple unit Residential Parcels, the tax shall be at the annual rate of \$51.24 ~~\$20~~ per Residential Unit located on such Parcels, with the following exception: if a majority of the Residential Units have been vacant for 6 months or more, the rate shall be reduced by 50% to \$25.62 ~~\$10.00~~ per

Residential Unit located on the Parcel.

- (C) For Non-Residential Parcels, the tax rate shall be at the annual rate of ~~\$38.41~~ ~~\$15.00~~ for every Single Family Residential Unit Equivalent. Single Family Residential Equivalents will be based on square footage and frontage and by land use category as follows:

LAND USE CATEGORY	FRONTAGE (FT)	AREA (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 a commercial or institutional parcel with a frontage of 160 feet and an area of 12,800 sq. ft.:

Frontage 160 ft Area 12,800 sf
80 ft/SFE=2 SFE; 6,400 SF/SFE=2 SFE
2 SFE+2 SFE=4 SFE 4 SFE x \$38.41=\$153.64
~~4 SFE x \$15=\$60~~

Section 6. EXEMPTIONS

The tax imposed by this Ordinance shall be subject to the exemptions set forth in this section.

(A) Low-Income Homeowner 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 calendar 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 at the 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 provide 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.

(B) Low-Income Residential Hotel Exemption. Notwithstanding the apportionment requirements of Section 5.1 above, there are exempt from the tax imposed by this Ordinance Owners and Operators of Residential Hotels owned and operated by Exempt Organizations or by limited partnerships in which the controlling general partner is an Exempt Organization. This exemption shall only apply if the Residential Hotel is subject to a recorded regulatory agreement between the Owner and the State of California or a federal or local public agency, and if, pursuant to such regulatory agreement, the Owner is obligated to maintain rents in the Residential Hotel at "affordable" levels and rent to "low income" persons as such terms are defined in the applicable regulatory agreement. Owners must apply for this exemption to this tax annually by petition to the Director of Finance of the City of Oakland in the manner and at the time set forth in procedures established by the

Director of Finance.

Section 8. MINIMUM LIBRARY APPROPRIATION PREREQUISITE AT FISCAL YEAR 2000-01 93-94 LEVEL

For any year during which this tax is in effect, the City Council may collect this tax only if the General Fund appropriation for Library services is maintained at a level that is no lower than the General Fund appropriation for fiscal year 2000-01 ~~1991-92~~. The General Fund appropriation for Library services for fiscal year 2000-01 was \$9,059,989 ~~1991-92~~ ~~was \$7.8 million.~~

Section 9. TERM OF TAX IMPOSITION

The tax imposed by the Library Services Retention and Enhancement Act of 1994 may be imposed by the City until June 30, 2024, shall become effective on December 1, 1994 and shall continue in effect for 15 years thereafter. The tax imposed by this Ordinance shall be deemed extended for an additional 15-year period if on or before June 30th of 2024 ~~2009~~, the City Council submits an ordinance to the voters of the City of Oakland extending this tax, and the voters approve such extensions. The tax imposed by this Ordinance shall remain in full force and effect during the pendency of such election if it is held subsequent to June 30th of 2024 ~~2009~~. In the event that this Ordinance is extended as provided in this section, this Ordinance shall be deemed extended for all purposes and such extension shall relate back to the original passage of this Ordinance and shall not constitute a reimposition of the tax imposed by this Ordinance.

Section 10. ANNUAL AUDIT

The City Auditor will perform an annual audit to assure accountability and the proper disbursement of the proceeds of this tax in accordance with the objectives stated herein. The City Council shall designate or appoint a body composed of Oakland citizens to make recommendations and review the expenditures of the funds.