



# City of San Leandro

Meeting Date: May 4, 2015

## Staff Report

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**File Number:** 15-245

**Agenda Section:** PUBLIC HEARINGS

**Agenda Number:** 4.B.

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** David Baum  
Finance Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** Staff Report for Ordinances Amending the San Leandro Municipal Code Relating to Proposed Adjustments to Business License Tax, the Emergency Medical Services Taxes, and the Emergency Communication System Access (9-1-1) Tax for 2015-16

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### SUMMARY AND RECOMMENDATIONS

Staff recommends the City Council approve the proposed adjustments to Business License tax, the Emergency Medical Services (EMS) tax, and the Emergency Communication System Access (9-1-1) tax in accordance with the San Leandro Municipal Code. Proposed ordinances amending each of the three tax schedules are being presented to the City Council for approval as part of the 2015-16 budget approval process.

### BACKGROUND

As a part of the budget process, the City determines the annual change in the Consumer Price Index (CPI) and applies this increase to the business license tax schedule, the EMS tax schedule, and the 9-1-1 access tax schedule as allowed by the San Leandro Municipal Code Sections 2-2-500, 2-13-140, and 2-18-210. If approved by the City Council, the following proposed adjustments to the City's tax rate schedules for business license taxes, EMS taxes, and 9-1-1 access taxes would be effective July 1, 2015.

The 2.8% increase in the Consumer Price Index (CPI), distributed by the Bureau of Labor Statistics for the Consolidated Metropolitan Statistical Area (CMSA) covering San Francisco - Oakland - San Jose, is the annual average change for 2014 (January through December). In accordance with the Municipal Code, the tax schedules for business licenses, EMS, and 9-1-1 access will be adjusted by 2.8%. The unit fee for retailing, wholesaling, and manufacturing will increase to \$37.52 (per each owner and each employee) for business licenses, the single access line tax rate for 9-1-1 will increase to \$2.32, and a benefit unit tax under the EMS will increase to \$16.54.

**Fiscal Impacts**

Staff estimates that the proposed tax rate changes will generate an additional \$116,000 in General Fund revenue in 2015-16, as follows:

General Fund Taxes with CPI Increases of 2.8%:	<u>Revenues</u>
Business License Tax	\$ 89,000
Emergency Medical Services Tax	0
911 Emergency Communication System Access Tax	<u>27,000</u>
Total General Fund Tax Increase	<u>\$ 116,000</u>

**ATTACHMENT**

None

**PREPARED BY:** David Baum, Finance Director, Finance Department



# City of San Leandro

Meeting Date: May 4, 2015

## Ordinance

**File Number:** 15-246

**Agenda Section:** PUBLIC HEARINGS

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** David Baum  
Finance Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** ORDINANCE Amending Section 2-2-500 of the San Leandro Municipal Code to Increase the Business License Fees by the Annual Consumer Price Index (CPI) of 2.8%

The City Council of the City of San Leandro does ORDAIN as follows:

Section 1. Chapter 2, Title 2, Section 2-2-500 of the San Leandro Municipal Code is amended to reflect a 2.8% annual CPI adjustment and to read as follows:

**"2-2-500 FEES BASED ON NATURE OF BUSINESS**

Every person commencing or carrying on a business within this City shall pay a license fee in an amount determined by the Finance Director in accordance with the nature of the business as hereinafter set forth:

<b><u>Business Classification</u></b>	<b><u>Annual Base Fee</u></b>	<b><u>Unit Fee</u></b>	<b><u>Unit Fee Basis</u></b>
Retailing	\$125.00	\$37.52	Per each Owner and each Employee
Wholesaling	\$125.00	\$37.52	Per each Owner and each Employee
Manufacturing	\$125.00	\$37.52	Per each Owner and each Employee
Peddler/Solicitor	\$125.00	\$37.52	Per each Owner and each Employee
Services	\$125.00	\$75.14	Per each Owner and each Employee
Professional	\$125.00	\$93.96	Per each Owner and each Employee
Contractors	\$125.00	\$75.14	Per each Owner and each Employee
Recreation and Entertainment	\$125.00	\$75.14	Per each Owner and each Employee
Residential Property Rental	\$125.00	\$11.30	Per Unit or Space
Nonresidential Property Rental	\$125.00	\$18.70	Per 1,000 Square Feet
Dance Hall	\$609.00	-	Flat/Annual
Automobile Wrecking	\$626.04	-	Flat/Annual
Christmas Trees/Pumpkin Patch	\$626.04	-	Flat/Annual
Commercial Advertising	\$626.04	-	Flat/Annual
Fortunetelling	\$626.04	-	Flat/Annual
Secondhand Dealer	\$626.04	-	Flat/Annual

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Pawnbroker	\$626.04	-	Flat/Annual
Itinerant Merchant	\$125.00	\$38.76	Flat/Weekly
Carnival	\$125.00	\$225.22	Flat/Daily
Coin-Operated Device	\$125.00	\$1.12	Per \$1,000 of Gross Receipts
Public Utilities	\$125.00	\$37.52	Per each Owner and each Employee
Miscellaneous	\$125.00	\$37.52	Per each Owner and each Employee
Bingo	\$125.00	-	Flat/Annual
Waste Disposal Site	\$125.00	\$1.69	Per Ton
Towing	\$125.00	\$1.12	Per \$1,000 of Gross Receipts
Firearms Dealer	\$125.00	\$3.80	Per \$100 of Gross Receipts attributable to the sales of firearms capable of being concealed upon the person and ammunition for such firearms, excluding sales to public agencies
Parking Lot	\$125.00	\$37.52	Per Parking Space
Mobile Food Vendors	\$125.00	-	Flat/Annual

The business license fees established by this Section shall continue to be adjusted annually by an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose metropolitan area, as published by the U.S. Department of Labor, Bureau of Statistics.”

Section 2. Effective Date and Publication. This ordinance shall take effect on July 1, 2015. The City Clerk is directed to publish the title once and post a complete copy thereof on the City Council Chamber bulletin board for five (5) days prior to adoption.



# City of San Leandro

Meeting Date: May 4, 2015

## Ordinance

**File Number:** 15-248

**Agenda Section:** PUBLIC HEARINGS

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** David Baum  
Finance Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** ORDINANCE Amending Section 2-13-140 of the San Leandro Municipal Code to Increase the Emergency Medical Services Tax (EMS Tax) by the Annual Consumer Price Index (CPI) of 2.8%

WHEREAS, pursuant to Section 2-13-140 of the San Leandro Municipal Code, the Emergency Medical Services Tax (EMS Tax) shall be adjusted annually by an amount not to exceed the Consumer Price Index (All-Urban Consumers, San Francisco-Bay Area); and

WHEREAS, the City Council desires to adjust the tax per benefit unit from the current rate of \$16.10 to \$16.54, based on the 2.8% annual CPI increase.

NOW, THEREFORE, the City Council of the City of San Leandro does ORDAIN as follows:

Section 1. Title 2, Chapter 13, Section 2-13-140 of the San Leandro Municipal Code is amended to read as follows:

**“2-13-140 AMOUNT OF TAX**

The tax per “benefit unit” (BU) is Sixteen Dollars and Fifty-four Cents (\$16.54) per year. The number of benefit units shall be determined by the use to which the owner or occupant has put the property, as follows:

<u>Property Use</u>	<u>Benefit Units</u>
One living unit	1 BU
Two to five living units	3 BU
Six or more living units	1 BU per unit
One-story stores	2 BU
Store first floor w/office/apartments above	4 BU
Miscellaneous commercial	2 BU
Department stores	5 BU

Discount houses	5 BU
Restaurants	4 BU
Shopping centers	7 BU
Supermarkets	4 BU
Comm/industrial condominiums	4 BU
Warehouses	2 BU
Light industry	4 BU
Heavy industry	6 BU
Miscellaneous industrial	2 BU
Nurseries	2 BU
Quarries	2 BU
Wrecking yards	2 BU
Terminals, trucking	2 BU
Improved government-owned property	2 BU
Golf courses	2 BU
Schools	5 BU
Churches	4 BU
Other institutions	3 BU
Lodge halls	7 BU
Clubhouses	4 BU
Car washes	2 BU
Commercial garage/auto repair	2 BU
Service station	2 BU
Funeral homes	2 BU
Nursing/boarding homes	6 BU
Hospitals	5 BU
Hotel	5 BU
Motel	5 BU
Mobile home parks	5 BU
Banks	4 BU
Medical-dental offices	4 BU
1-3 story offices	4 BU
Over 3 story offices	7 BU
Bowling alleys	4 BU
Theaters, walk-in	4 BU
Theaters, drive in	4 BU
Other recreational	4 BU

In order to accommodate the increased costs of providing emergency medical services, the annual tax per “benefit unit” shall be adjusted annually by an amount not to exceed the Consumer Price Index (All-Urban Consumers, San Francisco-Bay Area) unless the City Council finds and determines that said adjustment would result in the tax exceeding the cost of providing the services. Under no circumstances shall the total adjustment provided for herein exceed Five Dollars and Ten Cents (\$5.10) per benefit unit.”

Section 2. Effective Date and Publication. This ordinance shall take effect on July 1, 2015. The City Clerk is directed to publish the title once and post a complete copy thereof on the City Council Chamber bulletin board for five (5) days prior to adoption.



# City of San Leandro

Meeting Date: May 4, 2015

## Ordinance

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**File Number:** 15-249

**Agenda Section:** PUBLIC HEARINGS

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** David Baum  
Finance Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** ORDINANCE Amending Section 2-18-210 of the San Leandro Municipal Code to Increase the Emergency Communication System Access Tax (911 Tax) by the Annual Consumer Price Index (CPI) of 2.8%

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The City Council of the City of San Leandro does ORDAIN as follows:

Section 1. Title 2, Chapter 18, Section 2-18-210 of the San Leandro Municipal Code is amended to reflect a 2.8% annual CPI adjustment and to read as follows:

**"2-18-210 IMPOSITION OF EMERGENCY COMMUNICATION SYSTEM ACCESS TAX**

The amount of the tax imposed by this section shall be established by this ordinance as set forth below and shall be paid on a per-line basis, by the person paying for such local telephone service:

<b>Description</b>	<b>Tax Rate</b>
Single Access Line	\$2.32
Trunk Line	\$16.28
Super Trunk Line	\$57.01

No subscriber will be required to pay a tax in excess of Eleven Thousand, Three Hundred and Three Dollars (\$11,303) per account per service location in any fiscal year. The above described tax rates and this cap shall be adjusted annually by the City Council by the percentage increase in the Consumer Price Index (CPI): All Urban Consumers for Urban Wage Earners and Clerical Workers ("CPI-W") for the San Francisco Bay Area published by the U.S. Bureau of Labor Statistics."

Section 2. Effective Date and Publication. This ordinance shall take effect on July 1, 2015. The City Clerk is directed to publish the title once and post a complete copy thereof on the City Council Chamber bulletin board for five (5) days prior to adoption.