

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda date: July 19, 2010
Reviewed by: BP

SUBJECT: Public Hearing on Clean Water Fee and Library Tax Rate

FROM: Ann Chaney, Community Development Director
Randy Leptien, City Engineer

RECOMMENDATION

1. Conduct the Public Hearing.
2. Direct Staff to Post Taxes to Property Tax Bills as previously authorized

BACKGROUND

The City has previously established a special fee to fund NPDES (Urban Runoff) and special taxes to fund two Library Services programs. These special fees and taxes are posted to the County property tax bills and appear as a separate line item each year.

Clean Water Fee

Albany Municipal Code (AMC) Section 15-4.9, Fees enacted in 1992 by Ordinance No. 92-011 provides that the City may charge a reasonable storm sewer service fee for residential, industrial, and commercial users of the City storm sewer system. This fee is based upon the amount of storm water generated on the site and adjusted in accordance with the site specific uses and General Industrial Storm Water Permit requirements as provided by the State Water Resources Control Board. All revenues derived from this service fee are used for the enforcement, implementation, and administrative overhead costs of complying with the Urban Runoff Clean Water Program.

Detached single family residential units are assigned an Equivalent Residential Unit or "ERU" and pay the same fee each year. Amounts for other land uses are calculated by multiplying the number of ERUs for the property by the rate per ERU. Apartment complexes up to 4 units are assigned 0.7 ERU per apartment. Condominiums and apartments in complexes of more than 4 units are assigned 0.3 ERU. Other land uses, other than vacant land, are assigned ERUs based upon land area as determined by the County Assessor, divided by 2,625 square feet. ERUs for vacant land are determined by dividing the land area by 5,250 square feet. A special study was performed for Golden Gate fields and the fee for this land use is, and the ERUs for the race track and parking are, calculated by dividing the area by 4,124 square feet.

A table that lists the number of ERUs for the various types of land use in the City is attached.

The proposed Fee per ERU for the NPDES Program for the 2010-2011 Fiscal Year (FY) is \$41.62. Fees for this program were last increased in 1999.

Library Services Act of 1994 and the Supplemental Library Services Act of 2006

The City has previously approved two special taxes for library services. The first was approved at a general election in 1994 and is codified in Section 5-22 of the AMC as the “Library Services Act of 1994”. This tax pays for public library services and materials that were formally provided by the County.

The second special tax for library services was approved in 2006 and is codified under Section 5-23 of the AMC as the “Supplemental Library Services Act of 2006”. This proceeds from this tax are used primarily to provide Sunday hours for the Albany Library, to replace staff hours lost due to budget increases, to purchase materials and supplies and to assist in preserving the library services.

Each of these taxes assessed detached single family homes the same amount and identifies this land use as an ERU. The tax for other types of land use is calculated as the number of ERU for a parcel times the rate per ERU. Multiple-unit residential parcels are assigned 0.75 ERU. ERU for non-residential land use is calculated as a parcel’s land area divided by 5,000 square feet. Vacant parcels are taxed at one half the developed rates. A table which lists the ERUs by type of land use is attached for each tax.

The City Council may increase each tax upon a finding that the cost of living in the immediate San Francisco Bay Area, as verified by the Consumer Price Index has increased. This is based on information established by the United States bureau of Labor Statistics (all Urban Consumers – San Francisco Bay area). The increase in any year may not exceed the verified index, and in no event may the increase exceed 5%. Exemptions are provided for low-income homeowners and rebates are provided for low-income renters under the code sections for each tax.

The Council has made a finding that the CPI increase for the previous calendar year was 0.7%. The proposed tax rate per ERU for the Library Services Act of 1994 for the 2010-2011 FY, including the CPI adjustment, is \$64.76. The proposed tax rate per ERU for the Library Services Tax of 2006 for the 2010-2011 FY, including the CPI adjustment, is \$26.56.

PROCESS

Fees for the City’s Clean Water Program and taxes for Library Services have been previously authorized by the City Council. The public hearing on this matter has been

scheduled for public information purposes; however, no further action of the Council is required for the collection of these fees and taxes for the 2010-2011 fiscal year.

FINANCIAL IMPACT

Spending under these programs is fully funded by their respective fees and taxes. These programs would have to be discontinued if the fees and taxes were not collected.

Attachments

Schedule of ERUs for:

- NPDES Program (Urban Runoff)
- Library Services Tax
- Supplemental Library Services Tax of 2006