

2024 SEP -4 AM 9: 30

APPROVED AS TO FORM AND LEGALITY

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

*Amacaulay*

CITY ATTORNEY'S OFFICE

## OAKLAND CITY COUNCIL

RESOLUTION NO. 90406 C.M.S.

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### RESOLUTION ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2024-25 PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

**WHEREAS**, Article XIII B of the California Constitution ("Article XIII B") was passed by the California electorate on November 6, 1979, and became effective on July 1, 1980; and

**WHEREAS**, Article XIII B establishes a limit on the amount of tax revenue local governments can appropriate in any fiscal year and requires that local governments calculate appropriations limits annually; and

**WHEREAS**, Title 1, Division 9 (commencing with Section 7900) of the California Government Code implements Article XIII B and provides the method for calculating annual appropriations limits based on appropriations limit for the prior fiscal year; and

**WHEREAS**, each year, the limit is recalculated by multiplying the previous year's limit by adjustment factors for population growth and inflation (cities have the option of using their own growth or the growth of the entire county in which the city is located as the population adjustment factor, and the option of using the increase in California Per Capita Income or the increase in the assessed valuation of non-residential property in the City as the inflation adjustment factor); and

**WHEREAS**, Section 4 of Article XIII B provides that the appropriations limit may be changed by the electors of the government entity for a term established by the electors but that shall not exceed four years from the vote of said electors; and

**WHEREAS**, on March 5, 2024, City of Oakland voters passed Measure D, which increased the City's appropriations limit until March 5, 2028 to allow the City to continue to spend tax revenue from twelve (12) voter-approved tax measures including Measure M (The Emergency Medical Services Retention Act of 1997); Measure N (The Paramedic Services Act of 1997), Measure C (The Library Services Retention and Enhancement Act), Measure C (City of Oakland Hotel Tax of 2009), Measure Z (The 2014 Oakland Public Safety and Services Violence Prevention Act), Measure HH (Sugar-Sweetened Beverage Distribution Tax of 2016), Measure D (The 2018 Oakland Public Library Preservation Act), Measure W (The Oakland Vacant Property Tax Act of 2018), Measure Q (The 2020 Oakland Parks and Recreation Preservation, Litter Reduction, Homelessness Support Act), Measure AA (The Children's Initiative of 2018), Measure

T (The Business Tax Ordinance of 2022), and Measure Y (The 2022 Oakland Zoo Animal Care, Education and Improvement Ordinance); and

**WHEREAS**, for 2024-25 Oakland is using the population growth of the County of Alameda and the increase in California Per Capita Income; and

**WHEREAS**, pursuant to Government Code Section 7903(b) city governments are required to include specified state subventions within their appropriations limits; and

**WHEREAS**, DOF has identified that the City of Oakland is a recipient of a total of \$32,000,000 in subventions and has instructed city governments to use the state identified subventions for FY 2024-25 appropriations limit calculations; and

**WHEREAS**, City's calculation includes \$32,000,000 in state subventions; now, therefore be it

**RESOLVED:** That the Fiscal Year 2024-25 appropriations limit for the City of Oakland is \$1,129,162,217, as reflected in Exhibit A attached hereto and incorporated herein by reference; and be it

**FURTHER RESOLVED:** That the growth factors used to calculate the limit are the county population change and the increase in the California per capita income.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE: SEP 17 2024

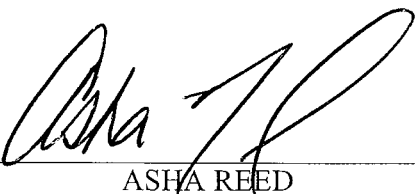
AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND PRESIDENT FORTUNATO BAS - 8 Ayes

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:

  
ASHA REED  
City Clerk and Clerk of the Council of  
the City of Oakland, California

**ARTICLE XIIB APPROPRIATIONS LIMIT  
Fiscal Year 2024-25**

FY 2023-24 Appropriations Limit	\$810,109,612
FY 2024-25 Adjustment Factors	
County of Alameda Population Change = -1.0054 (-0.54%)	
California Per Capita Income Change = 1.0362 (3.62%)	
Combined Change = (-1.0054) x 1.0362 = 1.0306	
<b>FY 2024-25 Appropriations Limit</b>	
<b>(After Adjustment for Growth Factor of 1.0306)</b>	<b>\$834,898,966</b>
Appropriations Limit Override (Measure D):	\$294,263,251
Emergency Medical Services (Measure M)	2,654,188
Paramedic Services (Measure N)	2,115,804
Library Services Retention & Enhancement (Measure C)	20,132,632
Transient Occupancy Tax - Hotel Tax (Measure C)	5,382,823
Public Safety and Violence Prevention Services (Measure Z)	21,615,790
Sugar Sweetened Beverages Distribution Tax (Measure HH)	6,896,218
Public Libraries Preservation (Measure D)	16,275,705
Vacant Property Tax (Measure W)	5,362,916
Parks & Recreation Preservation (Measure Q)	33,008,342
Children's Initiative of 2018 (Measure AA)	45,752,229
Business Tax Ordinance (Measure T)	120,056,728
Oakland Zoo Animal Care Ordinance (Measure Y)	15,009,876
<b>TOTAL Appropriation Limitation with Override</b>	<b>\$1,129,162,217</b>

Not all City appropriations are subject to the limitation of Article XIII B. Determining which appropriations are subject to the limit requires classifying each funding source as either proceeds of taxes or non-proceeds of taxes. Property tax, and local taxes are subject to limitation. State taxes that are subvented to the City count against the City's limit if their use is unrestricted, as in the case of sales tax and motor vehicle in lieu. State subventions that are restricted in use are applied against the State's limit rather than the City's, so they are considered non-proceeds of taxes for the City's calculation and includes Measure B and BB sales tax and gas tax. Government Code Section 7903 requires city governments to include specified state subventions within the appropriations limits commencing with the fiscal year 2021-2022, which are considered proceeds of taxes included in the Grants and Subsidies category. Interest income is prorated so that the interest earned on tax revenue is included as proceeds of taxes.

Most of the City's other revenue sources are classified as non-proceeds of taxes and are not subject to the appropriations limit: franchise fees, Landscape and Lighting Assessments (special benefit assessment districts are excluded from the limitation), fines and penalties, license and permit fees, service charges, rentals and concessions, federal grants, Oakland Redevelopment Agency reimbursements (redevelopment agencies are exempt from Article XIII B), internal service revenues, and other miscellaneous revenues. Enterprise funds – sewer service charges and golf course revenues – are also exempt from the limitation. Fund transfers are re-appropriations of revenue received in previous years; these funds were included in the calculation of appropriations subject to limitation in the year they were received and are not counted twice.

**ARTICLE XIII B - APPROPRIATIONS SUBJECT TO LIMITATION  
FY 2024-25**

<b>Revenue</b>	<b>Total</b>	<b>Proceeds of Taxes</b>	<b>Non Proceeds of Taxes</b>
PROPERTY TAX	\$474.81	\$474.81	\$0.00
STATE TAX			
Sales Tax	99.61	63.73	35.88
Gas Tax	22.79		22.79
<b>Subtotal, State Taxes</b>	<b>\$122.40</b>	<b>\$63.73</b>	<b>\$58.67</b>
LOCAL TAXES			
Business License Tax	120.06	120.06	0.00
Utility Consumption Tax	68.44	68.44	0.00
Real Estate Transfer Tax	73.72	73.72	0.00
Transient Occupancy Tax	25.12	25.12	0.00
Parking Tax	18.42	18.42	0.00
Sugar Sweetened Beverage Tax	6.90	6.90	0.00
Special Taxes	162.76	162.76	0.00
<b>Subtotal, Local Taxes</b>	<b>\$475.41</b>	<b>\$475.41</b>	<b>\$0.00</b>
LANDSCAPE & LIGHTING ASSESSMENT	19.47	0.00	19.47
INFRASTRUCTURE BOND	207.99	0.00	207.99
OTHER LOCAL FEES	64.48	0.00	64.48
SERVICE CHARGES	232.34	0.00	232.34
GRANTS & SUBSIDIES	116.29	32.00	84.29
MISCELLANEOUS	246.89	0.00	246.89
FUND TRANSFERS	258.72	0.00	258.72
INTEREST (Prorated)	4.61	2.50	2.11
<b>TOTAL REVENUE</b>	<b>\$2,223.40</b>	<b>\$1,048.44</b>	<b>\$1,174.96</b>
EXEMPTIONS*		(150.23)	
<b>REVENUE APPROPRIATIONS SUBJECT TO LIMITATION</b>		<b>\$898.21</b>	
<b>GANN APPROPRIATIONS LIMIT</b>		<b>\$834.90</b>	
<b>GANN LIMIT OVERRIDE (MEASURE D)</b>		\$294.26	
APPROPRIATIONS LIMIT WITH GANN OVERRIDE		1,129.16	
<b>AMOUNT OVER/(UNDER) LIMIT</b>		<b>(\$230.95)</b>	

\* Property tax revenue appropriated to service voter-approved debt is exempted.