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July 30, 2024

Asha Reed, City Clerk
1 Frank H. Ogawa Plaza
Oakland, CA 94612

RE: Impartial Financial Analysis for the Wildfire Prevention Financing Act of 2024

Dear City Clerk Reed:

Enclosed is the impartial financial analysis for the *Wildfire Prevention Financing Act of 2024* measure for the November 2024 election.

The Office of the City Auditor (Office) prepared this analysis in accordance with Municipal Code Section 3.08.210, which requires the Office to prepare an impartial financial analysis of each measure qualifying for ballot placement.

If you have any questions, please contact me at MHouston@oaklandca.gov, or Assistant City Auditor Eduardo Luna at ELuna@oaklandca.gov.

Respectfully submitted,

A handwritten signature in black ink that reads "MCHouston". The signature is written in a cursive, flowing style.

Michael C. Houston
City Auditor

CITY AUDITOR’S IMPARTIAL FINANCIAL ANALYSIS OF MEASURE

BALLOT TITLE:

Wildfire Prevention Financing Act of 2024

Summary

This measure would levy a new special tax in a defined Wildfire Prevention Zone for 20 years to reduce the risk of wildfires in the specified zone by implementing a vegetation management plan, enhanced fire patrols, and goat grazing, among other actions. The tax would be collected from property owners within the zone, and be used exclusively within the defined zone. Tax collection would start July 1, 2025.

Financial Analysis

The City Administration estimates this measure would raise \$2.67 million in revenue in the first year. In subsequent years, increases to the tax are limited to cost-of-living adjustments and capped at 5 percent. The measure allows the use of revenue collected to cover administrative expenses, and as such, we anticipate that the City would not incur additional or new costs.

The City Auditor has the option to conduct audits, and the City Council will establish a community oversight and accountability board to review annual operations, make advisory recommendations, study best practices, participate in wildfire prevention forums, and support outreach and education.

The annual cost to property owners in the first year would be:

Property Type	Annual Cost
Single Family Residential	\$99 per property
Condo/Multi Family Unit	\$65 per unit
Non-Residential Properties	Based on frontage and total square feet to determine the equivalent number of single family properties, multiplied by \$99

Certain very low income and senior households are exempt, the tax rate for affordable housing is reduced, and rebates are provided to tenants in certain situations.

This analysis is based on the best information available at this time.

MICHAEL C. HOUSTON
City Auditor