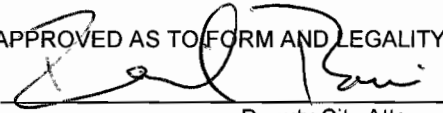


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2013 JUN 27 PM 3:29

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. 84516 C.M.S.

A RESOLUTION (1) APPROVING A PLAN FOR SPENDING EXCESS TAX ALLOCATION BOND PROCEEDS, (2) AUTHORIZING A BOND EXPENDITURE AGREEMENT WITH THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY TO TRANSFER SUCH FUNDS TO THE CITY FOR BOND-ELIGIBLE PURPOSES, (3) ACCEPTING EXCESS BOND FUNDS, (4) APPROPRIATING AND ALLOCATING SUCH FUNDS TO PROJECTS AND PROGRAMS CONSISTENT WITH THE BOND EXPENDITURE AGREEMENT AND THE SPENDING PLAN, AND (5) APPROVING THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY'S SCHEDULE FOR REPAYMENT OF LOAN INDEBTEDNESS TO THE CITY FOR WEST OAKLAND REDEVELOPMENT PROJECTS FINANCED BY THE CITY

WHEREAS, the Oakland Redevelopment Successor Agency ("ORSA") has succeeded to the authority, rights, powers, duties and obligations of the Redevelopment Agency of the City of Oakland under the Community Redevelopment Law; and

WHEREAS, ORSA received its Finding of Completion under Health and Safety Code Section 34179.7 from the California Department of Finance on May 29, 2013; and

WHEREAS, Health and Safety Code Section 34191.4(c) allows a successor agency that has received a finding of completion to use bond proceeds from bonds issued prior to 2011 for purposes for which the bonds were sold; and

WHEREAS, ORSA has and will have so-called "excess" bond proceeds, i.e., pre-2011 tax allocation bond proceeds that are not otherwise obligated for a project; and

WHEREAS, ORSA wishes to use such proceeds for redevelopment purposes consistent with bond covenants; and

WHEREAS, the Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) provides for a cooperative relationship between redevelopment agencies, and their successor agencies, and cities; and

WHEREAS, the Community Redevelopment Law (Health and Safety Code Section 33220(e)) authorizes a local public agency to enter into an agreement with a redevelopment agency, and its successor agency, to further redevelopment purposes; and

WHEREAS, the City desires to accept excess tax allocation bond proceeds from ORSA and to undertake redevelopment activities in support of certain projects and programs eligible for redevelopment funding on behalf of ORSA, using such bond proceeds in a manner consistent with the original bond covenants; and

WHEREAS, the City and ORSA desire to enter into a Bond Expenditure Agreement to govern funding to the City for the costs of those projects and programs from current and future excess tax allocation bond proceeds; and

WHEREAS, the City has developed a spending plan for the excess tax allocation bond proceeds consistent with the original bond covenants; and

WHEREAS, the Community Redevelopment Law (Health and Safety Code Sections 33445 and 33679) authorizes a redevelopment agency, and its successor agency, to pay for the acquisition and development costs of publicly-owned buildings, facilities and improvements, if certain findings are made; and

WHEREAS, Health and Safety Code Section 34191.4(b) provides that, after a successor agency has received a finding of completion and upon application by the successor agency, loans between the redevelopment agency and its sponsoring city may be deemed enforceable obligations, and thus payable from Real Property Tax Trust Funds over time, within certain limitations and under certain conditions; and

WHEREAS, redevelopment funds totaling \$2.69 million were committed by the former Redevelopment Agency to the City to pay for certain public improvements and grants to private entities in the West Oakland Redevelopment Project Area via a Cooperation Agreement entered into between the City and the Redevelopment Agency in 2004 and a Funding Agreement between the City and the Redevelopment Agency entered into in 2011; and

WHEREAS, these funding commitments were for projects and programs to alleviate physical and economic blight conditions in the West Oakland Redevelopment Project Area and were thus made for legitimate redevelopment purposes under the Community Redevelopment Law; and

WHEREAS, the City self-financed the cost of this work from its General Purpose funds with the understanding that the Redevelopment Agency would use redevelopment funds to reimburse the City for its costs under the terms of the Cooperation Agreement and the Funding Agreement; and

WHEREAS, these redevelopment funds have since been swept to the taxing entities following the completion of the "Due Diligence Review" of available nonhousing assets by the California Department of Finance pursuant to Health and Safety Code Section 34179.6, and

this has resulted in an outstanding unpaid loan debt to the City of \$2.69 million plus interest; and

WHEREAS, the ORSA Board has established a loan repayment schedule for amortizing this debt; and

WHEREAS, the City wishes to approve such schedule; now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City Administrator to negotiate and execute a Bond Expenditure Agreement with ORSA to transfer excess tax allocation bond proceeds to the City to fund redevelopment projects and programs not previously funded and obligated by ORSA or the City, consistent with the bond covenants, in furtherance of the purposes of the redevelopment under the California Community Redevelopment Law; and be it further

RESOLVED: That the City Administrator or his or her designee is authorized to accept excess tax allocation bond proceeds from ORSA under the Bond Expenditure Agreement or otherwise, including excess bond proceeds currently held by ORSA and any future excess bond proceeds received or held by ORSA; and be it further

RESOLVED: That the City Council hereby approves that spending plan for excess bond proceeds set forth in Exhibit A to this Resolution; and be it further

RESOLVED: That the City Council hereby appropriates and allocates excess tax allocation bond proceeds received from ORSA under the Bond Expenditure Agreement or otherwise to the projects and programs set forth in the approved spending plan; and be it further

RESOLVED: That City Administrator or his or her designee is authorized to transfer funds between approved projects or programs specified in the spending plan within each project area, as necessary to complete the projects and programs; and be it further

RESOLVED: That with respect to those projects listed in the spending plan that are or will be owned by the City, the City Council hereby consents to excess tax allocation bond funding of said projects from ORSA, and hereby finds and determines as follows:

- 1) That the acquisition of land and the installation or construction of the projects will be of benefit to Oakland's redevelopment project areas by helping to eliminate one or more blight conditions within the project areas; and
- 2) That due to fiscal constraints on the City's general fund and the high number of capital projects competing for limited City funds, the City's Capital Improvement Program budget is unable to provide funding for the projects, and therefore no other reasonable means of financing the projects are available to the City other than ORSA funding; and
- 3) That the use of excess bond proceeds for the projects is consistent with the implementation plans adopted for each of the City's redevelopment project areas; and be it further

RESOLVED: That any expenditure of excess bond proceeds under the spending plan shall be in conformance with applicable bond covenants; and be it further

RESOLVED: That City Administrator or his or her designee will return to Council to appropriate or allocate excess bond proceeds beyond what is listed in the spending plan approved by this Resolution; and be it further

RESOLVED: That the City Council hereby approves that loan repayment schedule for amortization of the West Oakland loan established by ORSA attached to this Resolution as Exhibit B; and be it further

RESOLVED: That, since the approval of the spending plan, Bond Expenditure Agreement and West Oakland loan through this Resolution does not commit the City to any action that may have a significant impact on the environment, and in some cases relates to projects that have already been approved for funding, this action does not constitute a project or discretionary action subject to, and is exempt from, the requirements of the California Environmental Quality Act; and be it further

RESOLVED: That the City Administrator or his or her designee is authorized to take other action with respect to the projects, the Bond Expenditure Agreement, the spending plan, and the West Oakland loan consistent with this Resolution and its basic purposes; and be it further

RESOLVED: That the Bond Expenditure Agreement shall be reviewed and approved by the Office of the City Attorney as to form and legality, and copies shall be placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 16 2013, 2013

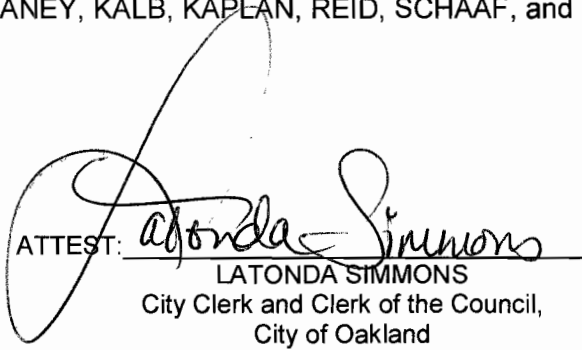
PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, REID, SCHAAF, and PRESIDENT KERNIGHAN - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST: 
LATONDA SIMMONS
City Clerk and Clerk of the Council,
City of Oakland

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EXHIBIT A

EXCESS BOND PROCEEDS SPENDING PLAN

(attached)

**BROADWAY MACARTHUR SAN PABLO REDEVELOPMENT PROJECT AREA
EXCESS BOND SPENDING PLAN**

Source and Use Summary

Sources:

BMSP - Series 2006 and 2010 Unencumbered Bonds	1,766,570
TOTAL:	\$1,766,570

Uses:

Façade & Tenant Improvement Program	297,760
Small Business Loan Program	200,000
Oakland Housing Authority Solar Grant	100,000

Funding Agreement Projects

Tenant Improvement Program	67,610
Façade Improvement Program	62,500
Mosswood Teen Center	12,000
Golden Gate Recreation Center Improvements	930,800
Broadway Specific Plan	95,900
TOTAL:	1,766,570

Net Available: \$0

**CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA
EXCESS BOND SPENDING PLAN**

Source and Use Summary

Sources:

Central City East 2006 T and TE Unencumbered Bond Funds	8,787,936
Central City East 2006 T and TE Funding Agreement	17,713,398
Central City East 2006 T Property Reversals	10,700,000
TOTAL:	\$37,201,334

Uses:

Streetscapes	4,850,000
Major Projects	5,100,000
Public Facilities and Infrastructure Improvements	3,400,000
5th Avenue Streetscape	3,000,000
Façade Improvement Program	500,000
Tenant Improvement Program	500,000
Notice of Development Opportunity Sites	500,000
Impact Fee Nexus Study	200,000
Foothill & Seminary Development	150,000
Graffiti Abatement and Misc. Programs	388,637

Funding Agreement Projects

14th Avenue Streetscape	5,960,000
Foothill Seminary Streetscape Project	5,093,750
Foothill High Melrose Streetscape	4,309,698
East 18th Street Streetscape	1,600,000
Foothill Fruitvale Streetscape, Phase II	500,000
MacArthur Streetscape	300,000
Foothill Fruitvale Streetscape, Phase I	200,000
Façade Improvement Program	155,000
Architectural Design Professional Services	120,000
3550 Foothill demolition	106,406
Tenant Improvement Program	90,000
Ballpark negotiations expert consulting	55,000
23rd Avenue Streetscape	50,000
Graffiti Abatement	47,869
Video camera installation "Tough on Blight"	24,974

TOTAL: \$37,201,334

Net Available: \$0

**CENTRAL DISTRICT REDEVELOPMENT PROJECT AREA
EXCESS BOND SPENDING PLAN**

Source and Use Summary

Sources:

Central District - Series 1986, 1989, 2003, 2005, 2006, 2009 Unencumbered Bonds	15,711,728
Central District - Series 1986, 1989, 2003, 2005 Funding Agreement	5,821,027
Central District - Series 2003, 2006	2,800,000
Central District - Series 2009 Property Reversals & Loan Repayments	6,196,264
TOTAL:	\$30,529,019

Uses:

Development - Broadway Retail Strategy/Downtown Parking	14,800,000
Public Facilities	3,500,000
Streetscapes	2,365,474
Façade & Tenant Improvement Program	1,400,000
Broadway Small Business Loan Program	700,000
Impact Fee Nexus Study	200,000

Funding Agreement Projects

Façade Improvement Program	1,562,000
Tenant Improvement Program	2,226,000
Malonga Casquelord Center	861,987
Uptown Temporary Art Park	46,861
Downtown Streetscape - BBRP	110,467
Basement Backfill (02, 05, 09, 10 BBRP)	400,000
Graffiti Abatement	40,000
1800 San Pablo - CEQA Work - SEIR	138,775
1800 San Pablo - Phase II	33,503
Broadway Shuttle	339,125
Broadway Specific Plan	187,881
Consolidated Partitions	19,276
HdL Contract	13,969
17th Street BART Public Art	321,000
Broadway Corridor Rev Loan Program	1,262,701
TOTAL:	30,529,019

Net Available: \$0

**COLISEUM REDEVELOPMENT PROJECT AREA
EXCESS BOND SPENDING PLAN**

Source and Use Summary

Sources:

Coliseum - Series 2003, 2006 TE and 2006 T Unencumbered Bonds	11,015,910
Coliseum - Series 2003, 2006 TE and 2006 T Funding Agreement	6,741,968
Coliseum - Series 2006 T Bonds Property Reversals	4,277,393
TOTAL:	\$22,035,271

Uses:

Coliseum Transit Village Phase I	8,000,000
Coliseum City EIR and Specific Plan	2,000,000
Coliseum City Phase II Project	3,255,000
Façade Improvement Program	500,000
Tenant Improvement Program	300,000
Streetscape Contingency	500,000
Public Facility & Infrastructure Improvements	500,000
Graffiti Abate and Misc. Programs	289,950
Impact Fee Nexus Study	200,000

Funding Agreement Projects

Façade Improvement Program	245,000
Tenant Improvement Program	377,500
Graffiti Abatement	100,000
Tyrone Carney Park	180,000
Community Clean Up Corps	38,261
South Coliseum Way Streetscape	25,000
MLK Jr Library	368,107
Demolition Costs	661,661
Coliseum Truck Study	55,000
Coliseum City Master Developer ENA	1,600,000
Coliseum Infrastructure, Coliseum Way Drainage	978,687
BART Plaza Improvements	506,907
Coliseum Infrastructure Improvements	260,000
Coliseum Business Alert	14,000
Estuary Plan	570,000
66th Avenue Bldg Demolition	25,000
Video camera installation	15,800
Sunshine Court Streetscape	54,008
Coliseum Infrastructure Improvements	25,390
23rd Avenue Streetscape Improvements	390,000

TOTAL: \$22,035,271

Net Available: \$0

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EXHIBIT B

WEST OAKLAND LOAN REPAYMENT SCHEDULE

(attached)

	FY 2012-13 Base Year	FY 2013-14 Estimate	FY 2014-15 Estimate	FY 2015-16 Estimate
Gross RPTTF	115,633,366	117,946,033	120,304,954	123,914,102
County Admin & Pass Through	(17,768,196)	(17,691,905)	(18,045,743)	(18,587,115)
ROPS	(65,173,770)	(63,573,511)	(57,227,314)	(62,105,703)
Residual	32,691,400	36,680,617	45,031,897	43,221,284
One-Half Residual Increment		1,994,609	6,170,248	5,264,942

Loan Repayment Schedule				
	FY 2013-14	FY 2014-15	FY 2015-16	TOTAL
Principal	896,511	896,512	896,512	2,689,535
Interest	5,071	5,071	5,070	15,212
TOTAL	901,582	901,583	901,582	2,704,747

March 2013 LAIF rate 0.28%

LOAN TERMS:

This loan originated in 2008 and is payable over a three-year period commencing in 2014. To the extent that the amount of Real Property Tax Trust Funds available for repayment in any given year is insufficient to make the full payment, the above scheduled payment amount will be reduced accordingly, and the repayment schedule for subsequent years then will be adjusted accordingly to provide for repayment of the full loan amount within the three-year term. Also, to the extent the amount of Real Property Tax Trust Funds available for repayment in any given year exceeds the above scheduled payment amount, the above scheduled payment amount will be increased, up to a maximum payment of one-half of the Real Property Tax Trust Funds available for repayment that year, and the repayment schedule for subsequent years then will be adjusted accordingly. For purposes of this schedule, "Real Property Tax Trust Funds available for repayment" means the maximum annual repayment amount as calculated under Health and Safety Code Section 34191.4(b)(2)(A).