



AGENDA REPORT

TO: DEANNA J. SANTANA
ORSA/CITY ADMINISTRATOR

FROM: Fred Blackwell

SUBJECT: Excess Bond Spending Plan,
Bond Expenditure Agreement, &
West Oakland Loan Repayment

DATE: May 29, 2013

ORSA Administrator Approval *Deanna J. Santana* Date *6/25/13*

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council for the City of Oakland and as governing board of the Oakland Redevelopment Successor Agency (“ORSA”) adopt the following legislation:

Two ORSA Resolutions –

1. Authorizing a Bond Expenditure Agreement with the City of Oakland to transfer excess tax allocation bond proceeds, not previously obligated, to the City for bond-eligible purposes; and
2. Establishing a schedule for repayment of ORSA loan indebtedness to the City for West Oakland redevelopment projects financed by the City.

A City Council Resolution –

- Approving a plan for spending excess tax allocation bond proceeds;
- Authorizing a Bond Expenditure Agreement with ORSA to transfer excess tax allocation bond proceeds, not previously obligated, to the City for bond-eligible purposes;
- Accepting excess bond proceeds;
- Appropriating and allocating such funds to projects and programs consistent with the Agreement and spending plan; and
- Approving ORSA’s schedule for repayment of loan indebtedness to the City for West Oakland redevelopment projects financed by the City.

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EXECUTIVE SUMMARY

Pursuant to AB 1484, the amended state legislation dissolving redevelopment agencies, ORSA is allowed to spend so-called "excess" bond proceeds (i.e., pre-2011 tax allocation bond proceeds that are not otherwise obligated for a project) once a "finding of completion" is received from the California Department of Finance ("DOF"). The spending must comply with bond covenants, which restrict the use of bond proceeds to redevelopment activities within the project area for which the bonds were issued. In order to spend the excess bond funds, they must be listed separately on the ROPS; however DOF has informed staff they will not accept ROPS amendments (for ROPS 13-14A), so actually spending the bond funds will be delayed until January 2014 following the adoption and approval of ROPS 13-14B.

The Bond Expenditure Agreement between the City and ORSA will authorize the transfer of all excess bond funds from ORSA to the City during the ROPS 13-14B period in order to complete projects and activities consistent with the spending plan and bond covenants for which these bonds were issued. Staff plans to include two new sections on ROPS 13-14B with respect to excess bond proceeds – the first will cover projects and programs previously funded by the former Redevelopment Agency and contracted by the City totaling \$33.2 million. The second will cover additional excess amounts that were not obligated at the time of dissolution, which will be governed by the Bond Expenditure Agreement. ROPS 13-14B will come before the ORSA Board for approval in September 2013.

Upon receiving the finding of completion, AB 1484 also allows loans between the redevelopment agency and its sponsoring city to be deemed enforceable obligations, and thus payable from Real Property Tax Trust Funds over time. Per AB 1484, loan repayments are made pursuant to a loan repayment schedule and are subject to certain maximum payments and interest rates. The city must set aside 20 percent of any loan repayments for affordable housing.

Redevelopment funds totaling \$2.69 million were committed to pay for certain public improvements and grants to private entities in the West Oakland redevelopment project area via a 2004 Cooperation Agreement and a 2011 Funding Agreement between the City and the Redevelopment Agency. The City self-financed the cost of this work from General Purpose funds with the understanding that the Redevelopment Agency would use redevelopment funds to reimburse the City for its costs; however, the redevelopment funds have since been swept to the taxing entities following the completion of the "Due Diligence Review" of available non-housing assets by the DOF, and has resulted in an outstanding unpaid loan debt to the City of \$2.69 million, plus interest. The proposed resolution will establish a loan repayment schedule for amortizing this debt. Loan repayments will be included in the ROPS, with an initial payment planned for the ROPS 13-14B period (January-June 2014).

OUTCOME

Adoption of this legislation will authorize the Bond Expenditure Agreement between the City and ORSA, and approve a City bond spending plan. The City will then complete projects previously planned and contracted for per the Funding Agreement, new contracts for projects previously planned for in various Redevelopment Agency capital budgets prior to the dissolution of redevelopment, and new projects beginning in January 2014

This action will also approve the West Oakland loan repayment terms and schedule. Under the loan repayment schedule, funds will be repaid to the City totaling \$2.69 million over a scheduled term of three years with interest, of which 20 percent or \$537,907 plus interest will be set aside for affordable housing.

BACKGROUND/LEGISLATIVE HISTORY

Reports discussing the dissolution of redevelopment agencies, were discussed at the Community and Economic Development (CED) Committee meetings of February 8th and 22nd, the Special Concurrent Meeting of the City Council and Agency Board on March 3, 2011, and finally to the CED Committee meeting of May 10, 2011 and the City Council/Agency Board on May 17, 2011.

On June 27, 2012, the State legislature passed a budget trailer bill that clarified and amended certain portions of ABX 26. Part of the trailer bill included the ability to use pre-2011 excess tax allocation bond proceeds and submit approval for the repayment of loans between the former redevelopment agency and the sponsoring city once successor agency receives a finding of completion. A successor agency is eligible to receive a finding of completion upon making three payments: the July 2012 "true-up" payment, the Housing Due Diligence Review ("DDR") payment and the Other Funds and Accounts DDR payment. ORSA has made all three payments and received a finding of completion on May 29, 2013.

On July 1, 2004, the Redevelopment Agency and the City entered into a Cooperation Agreement and on March 3, 2011, the Redevelopment Agency and the City entered into a Funding Agreement; both of these agreements provide for Agency reimbursement of City expenditures related to redevelopment activities, including capital projects and other redevelopment programs. Upon the dissolution of the Redevelopment Agency, there were approximately \$2.69 million worth of West Oakland project and program expenditures that the City incurred under these agreements for which it is now seeking repayment. Similar expenditures in other project areas will be backfilled with the excess bond proceeds; however, there are no excess bond proceeds available in West Oakland to satisfy the debt to the City for the West Oakland projects.

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ANALYSIS

1. EXCESS BOND PROCEEDS:

Currently the total unobligated pre-2011 bond funds held by ORSA or held by the City that the State Controller may order to be returned to ORSA totals over \$90 million, broken down by project area as follows:

- Broadway/MacArthur/San Pablo – \$1.77 million
- Central City East – \$37.2 million
- Central District – \$30.5 million
- Coliseum – \$22 million

2. ELEMENTS OF BOND EXPENDITURE AGREEMENT AND CITY SPENDING PLAN:

The Bond Expenditure Agreement will be a master agreement authorizing the City to use excess bond proceeds transferred from ORSA, consistent with bond covenants, on projects and programs previously funded by the former Redevelopment Agency and contracted by the City totaling \$33.8, and remaining amounts totaling approximately \$57.7 million to be spent from several broad categories, including:

- Improvements to public facilities;
- Façade and tenant improvement grants to businesses and property owners;
- Streetscapes;
- Parking garage development projects;
- Retail development projects;
- Neighborhood Project Initiative grants for small scale neighborhood improvements;
- Specific Plan development; and
- Revolving business loans that serve redevelopment purposes.

The City's spending plan is in conformance with the proposed elements of the Bond Expenditure Agreement. The spending plan for each redevelopment project area is attached to this report (*See Attachment A*). The Bond Expenditure Agreement will allow the City to shift allocations of excess bond funds between projects and activities, and fund new projects and activities, as long as the activities are within the approved broad categories, and consistent with the bond covenants.

The Bond Expenditure Agreement also allows for the transfer of any future excess bond proceeds or income received on bond-funded projects by ORSA to the City, to be used for purposes consistent with the bond covenants, i.e., for a redevelopment purpose within each project area. Under applicable law and bond covenants, the revenue produced by bond-funded activities, will continue to be restricted to uses consistent with the bond covenants in the indenture, such as retiring the bonds or investing in other capital projects meeting a redevelopment purpose within the applicable redevelopment project area. This may include land sale proceeds, lease revenue, loan principal and interest payments, etc. Income received on

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projects funded under the Bond Expenditure Agreement would be retained by the City and used for other bond-eligible uses. Any remaining bond proceeds held by ORSA after all bond-funded obligations on the ROPS are satisfied will be incorporated into the Bond Expenditure Agreement with the City. There are approximately \$16 million in remaining bond funded obligations on the ROPS, but only a small portion of this may become available after the projects are completed.

3. WEST OAKLAND LOAN REPAYMENT:

As stated above, upon receiving a finding of completion, loans between the former redevelopment agency and the city are repayable starting in FY 2013-14, and can be included as an enforceable obligation on the ROPS. The outstanding indebtedness to the City under the Cooperation Agreement and the Funding Agreement for the West Oakland projects qualifies for repayment from RPTTF. However, there are certain parameters that must be followed:

- Loan repayment may not be made prior to FY 2013-14;
- Repayment amount is limited to one-half of the increase between the amount distributed to the taxing entities in a given year and the amount distributed to the taxing entities in the FY 2012-13 "base year";
- Loan interest rates must be based on the current Local Agency Investment Fund (LAIF) rate, and the term of the loan must be for a "reasonable" number of years; and
- Twenty percent of the loan repayment must be transferred to the Low and Moderate Income Housing Asset Fund.

The following chart demonstrates that there is projected to be enough residual increment to pay the \$2.69 million loan back over a three-year period.. The term of the loan will provide for some flexibility in the repayment to allow for the possibility that one-half of the increment is not enough to cover the scheduled payment, and to accelerate the repayment if the increment exceeds a certain threshold in any given year. See *Attachment B*.

Chart 1: Loan Repayment Analysis and Schedule

	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%

4. SOURCE OF FUNDING:

The source of funding for the Bond Expenditure Agreement is excess pre-2011 tax allocation bonds, which are restricted to redevelopment activities within the project areas for which they were issued. Nearly all redevelopment bond proceeds had been appropriated and allocated through a Redevelopment Agency capital budget prior to the dissolution of the Redevelopment Agency. However upon dissolution of the Agency, if the bond proceeds had not been formally obligated with an executed third party agreement entered into by the Redevelopment Agency prior to June 28, 2011, the Department of Finance determined that those proceeds could not be spent until a finding of completion was received by ORSA. The excess bond proceeds originate from the following:

- Unobligated bond proceeds held by ORSA;
- Bond proceeds returned to ORSA that were used to fund property purchases by the Redevelopment Agency from the City; these asset transfers are expected to be reversed by the State Controller's Office;
- Bond proceeds expected to be returned to ORSA by the State Controller's Office that were intended to pay for work on City contracts pursuant to the Funding Agreement between the City and the Redevelopment Agency.

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The source of funding for the West Oakland loan repayment will be Redevelopment Property Tax Trust funds (formerly tax increment).

5. FISCAL IMPACT

The City will not be obligated to use its General Purpose Fund (GPF) to pay for any of the projects or programs listed in the Bond Expenditure Agreement or excess bond spending plan. The refunding of previously funded and contracted projects will benefit the GPF by honoring those contracts through these other eligible sources, i.e. excess bond proceeds. Many of these projects will have economic benefits for the City, including jobs and increased tax revenues.

The City's General Purpose Fund will also benefit from being repaid for the West Oakland loan, which will be \$2.15 million, plus interest. Additionally, approximately \$538,000, plus interest will be set aside in the City's newly-established Low and Moderate Income Housing Asset Fund for affordable housing projects.

POLICY ALTERNATIVES

Rather than transferring all excess tax allocation bonds to the City per a master Bond Expenditure Agreement, each individual project funded out of excess bond proceeds could be included on the ROPS every six months to be reviewed and approved for funding by the Oversight Board and Department of Finance.

The City could choose to cover the West Oakland expenditures without seeking reimbursement through the loan repayment. This alternative is not recommended due to the various fiscal limitations on the City's General Purpose fund.

PUBLIC OUTREACH/INTEREST

This item does not require any additional public outreach other than the required posting on the City's website.

COORDINATION

Staff consulted with the City Attorney's Office in preparing this report and legislation. Neighborhood Investment staff consulted with the City Administrator's Office and the Public Works Agency on various proposed projects. Treasury was consulted on the terms of the West Oakland loan repayment. The report was submitted to the Controller's Budget Office for review and approval.

COST SUMMARY/IMPLICATIONS

All sources of funding for the spending plan and Bond Expenditure Agreement are redevelopment restricted bond proceeds. There is no direct negative impact to the General Purpose Fund. The refunding of previously funded and contracted projects will benefit the GPF by honoring those contracts through these other eligible sources, i.e. excess bond proceeds. Additionally, all of the projects and programs proposed to be funded through the excess tax allocation bond proceeds and the Bond Expenditure Agreement will improve the physical and economic conditions of the City, which should increase general revenue for the City, such as property taxes, business license taxes, sales taxes, etc.

The West Oakland loan repayment will allow the City's General Fund to recoup over time 80 percent of the \$2.69 million loan, plus interest, to cover projects and program expenditures previously committed to be funded by redevelopment. It will also allow 20 percent to be set aside for affordable housing.

FISCAL/POLICY ALIGNMENT

The proposed legislation will provide funding to complete various redevelopment project and program activities and is in alignment with the following City priorities:

Sustainable and Healthy Environment: Invest and encourage private investment in clean and renewable energy; protect and support clean environment; and give Oakland residents an opportunity to lead a healthy life, have healthy life options and make healthy choices. This will be accomplished through streetscape, park and public facility projects as well as the Neighborhood Project Initiative.

Economic Development: Foster sustainable economic growth and development for the benefit of Oakland residents and businesses. This will be accomplished through the Façade, Tenant Improvement and Commercial Loan programs as well as through development projects.

SUSTAINABLE OPPORTUNITIES

Economic: The various projects and programs have numerous economic opportunities for Oakland businesses, including contracts for construction and professional services, grants for property owners and businesses and development of key sites to grow existing and attract new businesses.

Environmental: The City's goal to develop a "Sustainable and Healthy Environment" is applied to the individual project. Each of the projects will incorporate as many "environmental sustainability" features into the design and construction of the project as are practical and financially feasible.

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**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

ATTACHMENT A

**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 Bond	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

ATTACHMENT A

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

	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	32,591,400	36,680,617	45,031,897	43,221,284

One-Half Residual Increment	1,994,609	6,170,248	5,264,942
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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).

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. _____ 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 used 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, _____, 2013

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

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

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 SUCH FUNDS, (4) APPROPRIATING AND ALLOCATING SUCH FUNDS TO PROJECTS AND PROGRAMS CONSISTENT WITH THE BOND EXPENDITURE AGREEMENT AND THE SPENDING PLAN, AND (5) APPROVING ORSA'S SCHEDULE FOR REPAYMENT OF LOAN INDEBTEDNESS TO THE CITY FOR WEST OAKLAND REDEVELOPMENT PROJECTS FINANCED BY THE CITY

EXHIBIT A

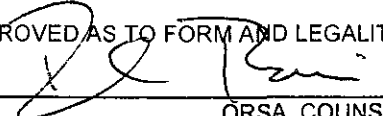
EXCESS BOND PROCEEDS SPENDING PLAN

(attached)

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2013 JUN 27 PM 3:29

APPROVED AS TO FORM AND LEGALITY:

BY: 
ORSA COUNSEL

OAKLAND REDEVELOPMENT SUCCESSOR AGENCY

RESOLUTION No. 2013- _____

A RESOLUTION AUTHORIZING A BOND EXPENDITURE AGREEMENT WITH THE CITY OF OAKLAND TO TRANSFER EXCESS TAX ALLOCATION BOND PROCEEDS NOT PREVIOUSLY-OBLIGATED TO THE CITY FOR BOND-ELIGIBLE PURPOSES

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 ORSA desires to commit to fund the City to undertake redevelopment activities in support of projects and programs eligible for redevelopment

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE.

JUL - 9 2013

funding, which were not previously funded and obligated by ORSA or the City, using excess tax allocation 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 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 34177(l), as amended, requires a successor agency to prepare a Recognized Obligation Payment Schedule ("ROPS") listing the former agency's recognized enforceable obligations, payment sources, and related information for each six month fiscal period; and

WHEREAS, Health and Safety Code Section 34191.4(c)(2)(A) requires that excess bond obligations be listed separately on a successor agency's ROPS; and

WHEREAS, ORSA will list the the Bond Expenditure Agreement on ROPS 13-14B as an obligation against excess tax allocation bond proceeds; now, therefore, be it

RESOLVED: That the ORSA Board hereby authorizes the ORSA Administrator to negotiate and execute a Bond Expenditure Agreement with the City of Oakland 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 redevelopment under the California Community Redevelopment Law; and be it further

RESOLVED: That the ORSA Administrator or his or her designee is authorized to transfer excess tax allocation bond proceeds from ORSA to the City under the Bond Expenditure Agreement, 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 Bond Expenditure Agreement shall be reviewed and approved by ORSA Counsel as to form and legality, and copies shall be placed on file with the ORSA Secretary; and be it further

RESOLVED: That the ORSA Administrator or his or her designee is authorized to take other action with respect to the Bond Expenditure Agreement consistent with this Resolution and its basic purposes.

BY SUCCESSOR AGENCY, OAKLAND, CALIFORNIA, _____, 2013

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Oakland
Redevelopment Successor Agency

1-2

COMMUNITY & ECONOMIC
DEVELOPMENT CMTE.

2013 JUN 27 PM 3:29

APPROVED AS TO FORM AND LEGALITY:

BY: J. L. Kari
ORSA COUNSEL

OAKLAND REDEVELOPMENT SUCCESSOR AGENCY

RESOLUTION No. 2013- _____

A RESOLUTION ESTABLISHING A SCHEDULE FOR REPAYMENT OF OAKLAND REDEVELOPMENT SUCCESSOR AGENCY 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(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, starting in 2008, 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

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE.

JUL - 9 2013

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, no excess bond proceeds are available from West Oakland to satisfy this debt; and

WHEREAS, the ORSA Board wishes to establish a loan repayment schedule for amortizing this debt; now, therefore, be it

RESOLVED: That the ORSA Board hereby establishes that loan repayment schedule for amortization of the West Oakland loan attached to this Resolution as Exhibit A; and be it further

RESOLVED: That the ORSA Administrator or his or her designee is authorized to take other action with respect to the West Oakland loan consistent with this Resolution and its basic purposes.

BY SUCCESSOR AGENCY, OAKLAND, CALIFORNIA, _____, 2013

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Oakland
Redevelopment Successor Agency

**A RESOLUTION ESTABLISHING A SCHEDULE FOR REPAYMENT OF
ORSA LOAN INDEBTEDNESS TO THE CITY FOR WEST OAKLAND
REDEVELOPMENT PROJECTS FINANCED BY THE CITY**

EXHIBIT A

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).

**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

EXHIBIT A

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 Bidg 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

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 SUCH FUNDS, (4) APPROPRIATING AND ALLOCATING SUCH FUNDS TO PROJECTS AND PROGRAMS CONSISTENT WITH THE BOND EXPENDITURE AGREEMENT AND THE SPENDING PLAN, AND (5) APPROVING ORSA'S SCHEDULE FOR REPAYMENT OF LOAN INDEBTEDNESS TO THE CITY FOR WEST OAKLAND REDEVELOPMENT PROJECTS FINANCED BY THE CITY

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).

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE.

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

Source and Use Summary

Sources:

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Façade & Tenant improvement Program	297,760
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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

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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

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Streetscapes	4,850,000
Major Projects	5,100,000
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5th Avenue Streetscape	3,000,000
Façade Improvement Program	500,000
Tenant Improvement Program	500,000
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Impact Fee Nexus Study	200,000
Foothill & Seminary Development	150,000
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EXCESS BOND SPENDING PLAN**

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TOTAL:	30,529,019

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EXHIBIT A

COUSEUM REDEVELOPMENT PROJECT AREA
EXCESS BOND SPENDING PLAN

Source and Use Summary

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Coliseum Truck Study	55,000
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Coliseum Infrastructure Improvements	260,000
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Video camera installation	15,800
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23rd Avenue Streetscape Improvements	390,000
TOTAL:	\$22,035,271

Net Available: \$0

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 SUCH FUNDS, (4) APPROPRIATING AND ALLOCATING SUCH FUNDS TO PROJECTS AND PROGRAMS CONSISTENT WITH THE BOND EXPENDITURE AGREEMENT AND THE SPENDING PLAN, AND (5) APPROVING ORSA'S SCHEDULE FOR REPAYMENT OF LOAN INDEBTEDNESS TO THE CITY FOR WEST OAKLAND REDEVELOPMENT PROJECTS FINANCED BY THE CITY

EXHIBIT B

WEST OAKLAND LOAN REPAYMENT SCHEDULE

(attached)

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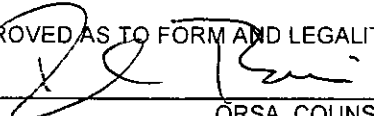
LOAN TERMS:

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).

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2013 JUN 27 PM 3:29

APPROVED AS TO FORM AND LEGALITY:

BY: 
ORSA COUNSEL

OAKLAND REDEVELOPMENT SUCCESSOR AGENCY

RESOLUTION No. 2013- _____

A RESOLUTION AUTHORIZING A BOND EXPENDITURE AGREEMENT WITH THE CITY OF OAKLAND TO TRANSFER EXCESS TAX ALLOCATION BOND PROCEEDS NOT PREVIOUSLY-OBLIGATED TO THE CITY FOR BOND-ELIGIBLE PURPOSES

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

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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 used 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 ORSA desires to commit to fund the City to undertake redevelopment activities in support of projects and programs eligible for redevelopment

funding, which were not previously funded and obligated by ORSA or the City, using excess tax allocation 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 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 34177(f), as amended, requires a successor agency to prepare a Recognized Obligation Payment Schedule ("ROPS") listing the former agency's recognized enforceable obligations, payment sources, and related information for each six month fiscal period; and

WHEREAS, Health and Safety Code Section 34191.4(c)(2)(A) requires that excess bond obligations be listed separately on a successor agency's ROPS; and

WHEREAS, ORSA will list the the Bond Expenditure Agreement on ROPS 13-14B as an obligation against excess tax allocation bond proceeds; now, therefore, be it

RESOLVED: That the ORSA Board hereby authorizes the ORSA Administrator to negotiate and execute a Bond Expenditure Agreement with the City of Oakland 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 redevelopment under the California Community Redevelopment Law; and be it further

RESOLVED: That the ORSA Administrator or his or her designee is authorized to transfer excess tax allocation bond proceeds from ORSA to the City under the Bond Expenditure Agreement, 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 Bond Expenditure Agreement shall be reviewed and approved by ORSA Counsel as to form and legality, and copies shall be placed on file with the ORSA Secretary; and be it further

RESOLVED: That the ORSA Administrator or his or her designee is authorized to take other action with respect to the Bond Expenditure Agreement consistent with this Resolution and its basic purposes.

BY SUCCESSOR AGENCY, OAKLAND, CALIFORNIA, _____, 2013

PASSED BY THE FOLLOWING VOTE:

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

NOES-

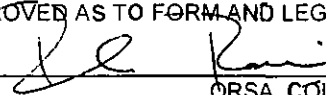
ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Oakland
Redevelopment Successor Agency

2013 JUN 27 PM 3:29

APPROVED AS TO FORM AND LEGALITY:

BY: 
ORSA COUNSEL

OAKLAND REDEVELOPMENT SUCCESSOR AGENCY

RESOLUTION NO. 2013- _____

A RESOLUTION ESTABLISHING A SCHEDULE FOR REPAYMENT OF OAKLAND REDEVELOPMENT SUCCESSOR AGENCY 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(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, starting in 2008, 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, no excess bond proceeds are available from West Oakland to satisfy this debt; and

WHEREAS, the ORSA Board wishes to establish a loan repayment schedule for amortizing this debt; now, therefore, be it

RESOLVED: That the ORSA Board hereby establishes that loan repayment schedule for amortization of the West Oakland loan attached to this Resolution as Exhibit A; and be it further

RESOLVED: That the ORSA Administrator or his or her designee is authorized to take other action with respect to the West Oakland loan consistent with this Resolution and its basic purposes.

BY SUCCESSOR AGENCY, OAKLAND, CALIFORNIA, _____, 2013

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Oakland
Redevelopment Successor Agency

**A RESOLUTION ESTABLISHING A SCHEDULE FOR REPAYMENT OF
ORSA LOAN INDEBTEDNESS TO THE CITY FOR WEST OAKLAND
REDEVELOPMENT PROJECTS FINANCED BY THE CITY**

EXHIBIT A

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).