

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK
2006 AUG 31 AM 10: 52

TO: Agency/City Administrator & Executive Director of the Oakland JPFA
ATTN: Deborah A. Edgerly
FROM: Finance and Management Agency/Community and Economic Development Agency
DATE: September 12, 2006
RE: **Resolutions Authorizing the Issuance and Prescribing the Terms, Conditions and Forms of Not to Exceed \$6,940,000 Principal Amount of the Redevelopment Agency of the City of Oakland Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C and \$14,330,000 Principal Amount of the Redevelopment Agency of the City of Oakland Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C-T (Federally Taxable), Approving the Form of and Authorizing the Execution and Delivery of an Indenture of Trust and a Bond Purchase Contract; Approving the Form of and Authorizing the Distribution of a Preliminary Official Statement and Authorizing Execution and Delivery of an Official Statement; Approving the Selection and Retention of a Financing Team; Authorizing Payment of Costs of Issuance; Allocating Bond Proceeds to Finance Redevelopment Activities in the Redevelopment Project Area; and Authorizing and Approving Necessary Actions in Connection Therewith**

SUMMARY

Three resolutions have been prepared to authorize the issuance of the Redevelopment Agency of the City of Oakland (the "Agency") Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C (the "Series 2006C Bonds") and Series 2006C-T (Federally Taxable) (the "Series 2006C-T Bonds" and, together with the Series 2006C Bonds, the "Broadway Series 2006 Bonds"). The Broadway Series 2006 Bonds will be issued to finance various redevelopment activities to benefit the Broadway/MacArthur/San Pablo Project Area ("Project Area"). The proceeds from the tax-exempt Broadway Series 2006C Bonds will be used to fund redevelopment projects including public infrastructure projects such as streetscape and traffic improvements. The proceeds from the taxable Series 2006C-T Bonds will be used for activities such as property acquisition to facilitate residential and commercial development within the Project Area. Both series will be secured by tax revenues generated within the Project Area.

The first resolution is a resolution of the Agency authorizing the issuance of the Series 2006C Bonds in an amount not to exceed \$6,940,000 for the Series 2006C Bonds and \$14,330,000 for the Series 2006C-T Bonds. In addition, this resolution authorizes the execution and delivery of the Trust Indenture, Bond Purchase Contract, Preliminary Official Statement, and Official

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Statement; retention of a financing team; payment of cost of issuance; and any necessary actions related to the issuance of the bonds.

The second resolution is a resolution of the Oakland Joint Powers Financing Authority (the "JPFA") that authorizes the purchase and sale of the Broadway Series 2006 Bonds, and the distribution of the Official Statement.

The third resolution is a resolution of the City approving the Agency's issuance of the Bonds.

FISCAL IMPACTS

The Broadway Series 2006 Bonds will be supported solely by a pledge of the tax increment generated within the Broadway/MacArthur/San Pablo Project Area and will not affect the General Fund.

The proceeds of the Broadway Series 2006 Bonds will finance redevelopment projects throughout the Project Area. The approximate \$5 million generated from the tax-exempt Series 2006C Bonds will finance public infrastructure improvements. The approximate \$12 million generated from the taxable Series 2006C-T Bonds will be used for land acquisition to promote residential and commercial growth within the Project Area.

BACKGROUND

The Broadway/MacArthur/San Pablo Project Area, adopted on July 25, 2000 (Ordinance No. 12269 C.M.S.), consists of two distinct areas in northern Oakland and is comprised of 676 acres. The Broadway/MacArthur sub-area incorporates Broadway's Auto Row district and Telegraph Avenue between 27th and 42nd Streets. The San Pablo sub-area incorporates the Golden Gate neighborhood along San Pablo Avenue from 53rd to 67th Street. Key elements of the redevelopment plan for the Project Area include in-fill development on underutilized properties, infrastructure upgrades, and support for catalyst projects, including the MacArthur Transit Village Project.

Guidance for redevelopment activities in this project area is provided by a Project Area Committee ("PAC"). The PAC for this Project Area was seated in April 2000, and has remained active past their required three year period through extensions approved by City Council. The PAC has prioritized several key projects and programs including:

- The MacArthur Transit Village Project;
- The commercial Façade Improvement and Tenant Improvement programs;
- The Neighborhood Projects Initiative capital grant program;
- Infill development on vacant and underutilized sites within the Project Area;
- Upgrades to public facilities, including recreation centers and libraries; and
- Streetscape improvements on key commercial corridors, including Telegraph Avenue, Broadway, 40th Street, West MacArthur Boulevard and San Pablo Avenue.

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The proposed bond issue will be the first financing for this redevelopment project area. Previously, all expenditures on projects in the area were limited to the annual stream of tax increment generated by this area. This funding was not sufficient to fund the capital projects that have been prioritized by the PAC. The funding provided by the bond proceeds will allow the Agency to move forward with the required land acquisition and public infrastructure necessary for the implementation of the MacArthur Transit Village and will fund a portion of the public infrastructure improvements that the PAC has prioritized. The PAC is in the process of revisiting their project priorities in order to make a recommendation to the Agency on the allocation of the bond proceeds. In addition, the Agency is still in negotiations with the development team for the MacArthur Transit Village in terms of the dollar amount of the required Agency participation for the project. The final Agency contribution to the MacArthur Transit Village Project will be set by the terms of the Disposition and Development Agreement for the project, which is anticipated to go before the Agency in May 2007.

KEY ISSUES AND IMPACTS

The Broadway Series 2006 Bonds will be structured as 30-year fixed rate bonds with level debt service. These bonds will be secured by the tax increment generated within the Project Area.

Issuing the Broadway Series 2006 Bonds will contribute to the Agency's overall goal of redevelopment and revitalization efforts in the Broadway/MacArthur/San Pablo Redevelopment Area. Specifically, the bond proceeds will be used to implement the MacArthur Transit Village project and infrastructure upgrades within the Project Area. These proposed projects will meet the following goals and objectives of the Broadway/MacArthur/San Pablo Redevelopment Plan and its Five Year Implementation Plan:

- The proposed projects will improve transportation, public facilities and infrastructure throughout the Project Area;
- The proposed infrastructure improvements along the commercial corridors in the project area will assist with the revitalization of neighborhood commercial areas;
- The MacArthur Transit Village Project will increase the stock of ownership housing and will provide affordable rental housing units in the Broadway/MacArthur/San Pablo redevelopment project area;
- Development on the BART surface parking lot at the MacArthur BART Station will contribute to the Agency's goals to concentrate infill development on underutilized properties within the Broadway/MacArthur/San Pablo redevelopment project area; and
- The MacArthur Transit Village Project, once developed, will enhance residential and commercial property values adjacent to the MacArthur BART Station, and will encourage efforts to alleviate economic and physical blight conditions in the area, including high business vacancy rates, vacant lots, and abandoned buildings, by enhancing the development potential and overall economic viability of neighboring properties.

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SUSTAINABLE OPPORTUNITIES

Economic: Implementation of these proposed projects will provide opportunities to use local contractors, suppliers and will provide employment openings to Oakland residents, thereby strengthening the local economy. The physical improvements will help improve and protect the economic vitality of the community.

Environmental: The infrastructure and public improvements funded by the bond proceeds shall incorporate sustainable design elements to the fullest extent possible.

Social Equity: The proceeds of the Broadway Series 2006 Bonds will be available to fund a variety of new capital projects that will improve and enhance the quality of life for not only the residents of Broadway/MacArthur/San Pablo, but for the citizens of Oakland.

DISABILITY AND SENIOR CITIZEN ACCESS

The infrastructure improvements, including streetscape projects, which will be funded by the bond proceeds will improve disability and senior citizen access within the redevelopment project area. Any improvements constructed with the bond proceeds shall be reviewed by appropriate regulatory bodies and will conform to the federal and state requirements related to disability and senior citizen access.

RECOMMENDATIONS AND RATIONALE

Staff recommends that the Agency's governing body and City Council approve the resolutions approving and authorizing the issuance of the Broadway Series 2006 Bonds and the execution and delivery of the Trust Indenture, Bond Purchase Contract, Official Statement, and approving the Preliminary Official Statement and authorizing related actions, including payment of costs of issuance associated with the issuance of the Broadway Series 2006 Bonds and appropriation of bond proceeds. This action will result in the generation of new funding for redevelopment projects within the Broadway/MacArthur/San Pablo area.

In addition, Staff recommends that the Governing Board of the JPFA approve the resolution authorizing the purchase and sale of the Broadway Series 2006 Bonds, the distribution of the Official Statement and related actions.

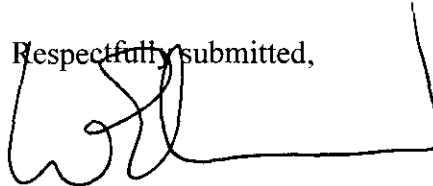
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ACTIONS REQUESTED

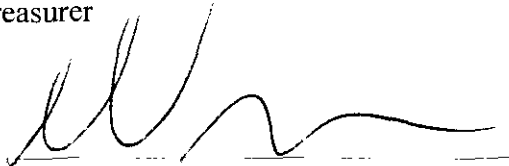
Staff requests that the Agency's governing body, City Council and the JPFA Board accept and approve the resolutions authorizing the issuance and sale of the Broadway Series 2006 Bonds; authorizing the execution and delivery of the Indenture of Trust, Bond Purchase Contract and Official Statement, and approving the Preliminary Official Statement; authorizing the appropriation of bond proceeds; and authorizing the Agency/City Administrator to take any necessary actions connection with the issuance of the financing.

Respectfully submitted,



WILLIAM E. NOLAND

Director, Finance and Management Agency/
Treasurer



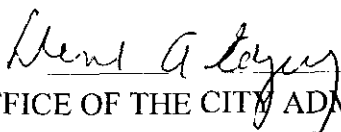
DANIEL VANDERPRIEM

Director, Redevelopment, Economic Development,
Housing and Community Development

Prepared by:

Katano Kasaine
Treasury Manager

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE
AND CED COMMITTEE:


OFFICE OF THE CITY ADMINISTRATOR

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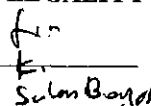
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FILED
OFFICE OF THE CITY CLERK
OAKLAND

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APPROVED AS TO FORM AND LEGALITY


Agency Counsel


Susan Boyd

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

RESOLUTION NO. ____

RESOLUTION AUTHORIZING THE ISSUANCE AND PRESCRIBING THE TERMS, CONDITIONS AND FORM OF NOT TO EXCEED \$6,940,000 PRINCIPAL AMOUNT OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2006C AND \$14,330,000 PRINCIPAL AMOUNT OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2006C-T (FEDERALLY TAXABLE), APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST AND A BOND PURCHASE CONTRACT; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT; APPROVING THE SELECTION AND RETENTION OF A FINANCING TEAM; AUTHORIZING PAYMENT OF COSTS OF ISSUANCE; ALLOCATING BOND PROCEEDS TO FINANCE REDEVELOPMENT ACTIVITIES IN THE REVELOPMENT PROJECT AREA;AND AUTHORIZING AND APPROVING NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Redevelopment Agency of the City of Oakland (the "Agency") is a public body, corporate and politic, duly organized and existing and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law, being Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Law") and the powers of the Agency include the power to issue refunding bonds; and

WHEREAS, a redevelopment plan for the Broadway/MacArthur/San Pablo Redevelopment Project (the "Redevelopment Project") in the City of Oakland has been adopted in compliance with all requirements of the Law; and

WHEREAS, in order to finance redevelopment activities with respect to the Redevelopment Project, the Agency intends to issue two series of bonds (collectively, the "Bonds") as more fully described below under and pursuant to the Law and the hereinafter defined Indenture;

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. Conditions Precedent. All conditions, things and acts required by law to exist, to happen and to be performed precedent to and in connection with the issuance by the Agency of refunding bonds exist, have happened and have been performed in due time, form and manner, in accordance with applicable law, and the Agency is now authorized pursuant to the Law to incur indebtedness in the manner and form provided in this Resolution, as it may be supplemented from time to time.

Section 2. Indenture. The Indenture of Trust (the "Indenture"), between the Agency and Wells Fargo Bank, National Association, as trustee (the "Trustee"), in substantially the form on file with the Secretary of the Agency, is hereby approved and adopted. The Agency Administrator or the Agency Treasurer, or the designee of either, each acting alone, is hereby authorized and directed to execute, and the Secretary of the Agency (the "Secretary of the Agency") is hereby authorized to attest to, the Indenture in substantially such form, with such changes, additions, amendments or modifications (including but not limited to changes, additions, amendments or modifications necessary to obtain ratings on the Bonds or a municipal bond insurance commitment), which are approved by the Agency Administrator and the Agency Treasurer, in consultation with Agency Counsel (the "Agency Counsel"), as being in the interest of the Agency, such approval to be conclusively evidenced by said execution. The Agency hereby agrees to comply with, or cause to be complied with, all covenants of the Agency set forth in the Indenture.

Section 3. Issuance of Bonds. The Board of the Agency hereby authorizes the issuance of the Bonds in two series which shall be designated as (i) the "Redevelopment Agency of the City of Oakland Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C" (the "Series 2006C Bonds") and (ii) the "Redevelopment Agency of the City of Oakland Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C-T (Federally Taxable)" (the "Series 2006C-T Bonds") . The Series 2006C Bonds and the Series 2006C-T Bonds shall be subject to the terms set forth in Section 5 below and to the terms set forth in the Purchase Contract (defined below). Pursuant to Section 5903 of the Government Code, the Agency finds and determines that the interest on the Series 2006C-T Bonds shall be subject to all applicable federal income taxation.

Section 4. Forms of Bonds. The form of the Series 2006C Bonds and the form of the Series 2006C-T Bonds, in substantially the forms attached to the Indenture, are hereby approved. The Agency Administrator or the Agency Treasurer, or the designee of either, each acting alone, is hereby authorized and directed to approve and to execute the Bonds by manual or facsimile signature; and the Secretary of the Agency is hereby authorized and directed to attest, by manual or facsimile signature and to cause the seal of the Agency to be reproduced or impressed on the Bonds, with such changes, additions, amendments or modifications made in accordance with Section 5 and Section 11 hereof.

Section 5. Bond Purchase Contract. The Bond Purchase Contract (the "Purchase Contract"), by and among the Agency, the Oakland Joint Powers Financing Authority and the Underwriters (as hereinafter defined), substantially in the form submitted to this meeting, is

hereby approved and the Agency Administrator or the Agency Treasurer, or the designee of either, each acting alone, is hereby authorized and directed to execute and deliver the Purchase Contract with such changes therein as the Agency Administrator and the Agency Treasurer may approve, such approval to be conclusively evidenced by the execution and delivery of such Purchase Contract, provided that the aggregate principal amount of Series 2006C Bonds to be issued shall not exceed \$6,940,000, the aggregate principal amount of Series 2006C-T Bonds to be issued shall not exceed \$14,330,000, the true interest cost of the Series 2006C Bonds shall not exceed six and one-half percent (6.5%), the true interest cost of the Series 2006C-T Bonds shall not exceed seven and one-half percent (7.5%), the Underwriters' discount (excluding original issue discount, if any) on either series of Bonds shall not exceed one-half of one percent (0.5%), and the final maturity for Bonds shall not exceed 40 years. Morgan Stanley & Co. Incorporated and Stone & Youngberg LLC are hereby approved as the underwriters of the Bonds (collectively, the "Underwriters").

Section 6. Appointment of Depositories and Other Agents. The Agency Administrator and the Agency Treasurer are hereby authorized and directed to appoint from time to time one or more depositories for the Bonds, as he may deem desirable. The Agency Administrator and the Agency Treasurer are hereby also authorized and directed to appoint from time to time one or more agents, as he may deem necessary or desirable. To the extent permitted by applicable law, and under the supervision of the Agency Administrator and the Agency Treasurer, such agents may serve as paying agent, Trustee or registrar for the Bonds, or financial printer, or may assist the Agency Administrator and the Agency Treasurer in performing any or all of such functions and other duties as the Agency Administrator and the Agency Treasurer shall determine. Such agents shall serve under such terms and conditions as the Agency Administrator and the Agency Treasurer shall determine. The Agency Administrator and the Agency Treasurer may remove or replace agents appointed pursuant to this section at any time.

Section 7. Municipal Bond Insurance Policy. The Agency Administrator and the Agency Treasurer are hereby authorized to negotiate and procure a municipal bond insurance policy or policies for the Bonds so long as such policy or policies, in the opinion of such parties, will result in present value debt service savings to the Agency, taking into account the cost of the premium for such policy to the Agency. If a municipal bond insurance policy is to be obtained, the Agency Administrator and the Agency Treasurer are hereby authorized to negotiate such additional covenants and agreements to be observed by the Agency as may be required by such municipal bond insurer, and such covenants and agreements shall be reflected in the Indenture as executed by the Agency.

Section 8. Official Statement. The Agency Administrator and the Agency Treasurer are hereby authorized and directed, in consultation with the Agency Counsel, to prepare a preliminary official statement for the Bonds authorized by this Resolution. The form of proposed preliminary official statement (the "Preliminary Official Statement"), in substantially the form presented to this Agency Board and, on file with the Secretary of the Agency, is hereby approved and adopted with such changes, additions, amendments or modifications as may be made in accordance with Section 11 hereof. The Agency Administrator is hereby authorized to cause the distribution of a Preliminary Official Statement for the Bonds, deemed final by this Agency Board for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, as amended, and the Agency Treasurer and

the Agency Administrator are each separately authorized to execute a certificate to that effect. The Agency Treasurer and the Agency Administrator are each separately authorized and directed to sign a final Official Statement for the Bonds. The Agency Administrator is hereby authorized and directed to cause to be printed and mailed to prospective purchasers of the Bonds copies of the Preliminary Official Statement and the final Official Statement.

Section 9. Appointment of Financial Advisor. The retention of the firm of Kelling Northcross & Nobriga, a Division of Zions First National Bank ("KNN"), as financial advisor to the Agency for the Bonds, is hereby approved. The Agency Treasurer is hereby authorized to negotiate and execute contractual agreements with KNN, in connection with the issuance of the Bonds.

Section 10. Payment of Costs of Issuance. The Agency Treasurer is hereby authorized and directed to pay, or cause to be paid on behalf of the Agency, the costs of issuance associated with the Bonds.

Section 11. Allocation of Bond Proceeds. The Agency hereby allocates the bond proceeds to finance redevelopment activities in the Redevelopment Project.

Section 12. Modification to Documents. Any Agency official authorized by this Resolution to execute any document is hereby further authorized, in consultation with the Agency Administrator and the Agency Counsel, to approve and make such changes, additions, amendments or modifications to the document or documents the official is authorized to execute as may be necessary or advisable (provided that such changes, additions, amendments or modification shall comply with the parameters set forth in Section 5 above). The approval of any change, addition, amendment or modification to any of the aforementioned documents shall be evidenced conclusively by the execution and delivery of the document in question.

Section 13. Ratification. All actions heretofore taken by the officials, employees and agents of the Agency with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified.

Section 14. General Authority. The Agency Treasurer, the Agency Administrator, the Secretary of the Agency or each such person's duly authorized designee and agent, and any other officials of the Agency and their duly authorized designee and agents are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents including a Continuing Disclosure Certificate, a tax certificate or certificates for the Series 2006C Bonds, an agreement relating to the delivery of a debt service reserve fund surety bond, letters of representation to any depository for the Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds, and to effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution.

The Agency Administrator and the Agency Treasurer may designate in writing one or more persons to perform any act, which such persons are hereby authorized by this Resolution to perform.

Section 15. Effect. This Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and CHAIRPERSON DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
Secretary of the Redevelopment Agency
of the City of Oakland, California

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2006 AUG 31 AM 10: 52

APPROVED AS TO FORM AND LEGALITY


Joint Powers Financing Authority Counsel

OAKLAND JOINT POWERS FINANCING AUTHORITY

RESOLUTION NO. _____ J.P.F.A.

RESOLUTION OF THE OAKLAND JOINT POWERS FINANCING AUTHORITY AUTHORIZING THE PURCHASE AND SALE OF NOT TO EXCEED \$6,940,000 PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2006C AND NOT TO EXCEED \$14,330,000 PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2006C-T (FEDERALLY TAXABLE), UPON CERTAIN TERMS AND CONDITIONS, APPROVING DISTRIBUTION OF OFFICIAL STATEMENT RELATING THERETO, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, the City of Oakland (the "City") and the Redevelopment Agency of the City of Oakland (the "Agency") have entered into a Joint Exercise of Powers Agreement, dated as of February 1, 1993 (the "Agreement"), creating the Oakland Joint Powers Financing Authority (the "Authority"); and

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and the Agreement, the Authority is authorized to purchase bonds issued by the Agency for financing and refinancing public capital improvements; and

WHEREAS, pursuant to the Act and the Agreement the Authority is further authorized to sell bonds so purchased to public or private purchasers at public or negotiated sale; and

WHEREAS, the Authority desires to purchase from the Agency not to exceed \$6,940,000 aggregate principal amount of Redevelopment Agency of the City of Oakland Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C (the "Series 2006C Bonds") and \$14,330,000 aggregate principal amount of Redevelopment Agency of the City of Oakland Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C-T (Federally Taxable) (the "Series 2006C-T Bonds" and, together with the Series 2006C Bonds, the "Bonds"), solely from the proceeds received from the

Authority's concurrent sale of the Bonds to Morgan Stanley & Co. Incorporated and Stone & Youngberg LLC, as purchasers of the Bonds (collectively, the "Underwriters"); and

WHEREAS, the Agency has caused an Official Statement relating to the Bonds (the "Official Statement") to be submitted to the Authority for approval for distribution to purchasers of the Bonds;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Oakland Joint Powers Financing Authority, as follows:

Section 1. Sale of Bonds. The bond purchase contract (the "Purchase Contract"), by and among the Agency, the Authority, and the Underwriters, substantially in the form on file with the Secretary of the Authority is hereby approved. The President, the Executive Director or the Treasurer of the Authority, each acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to accept the offer to purchase the Bonds from the Agency for concurrent resale to the Underwriters, and to accept the offer of the Underwriters to purchase the Bonds from the Authority, subject to the terms and conditions of the Purchase Contract, and to execute and deliver the Purchase Contract to the Agency and the Underwriters; provided that the aggregate principal amount of Series 2006C Bonds to be issued shall not exceed \$6,940,000, the aggregate principal amount of Series 2006C-T Bonds to be issued shall not exceed \$14,330,000, the true interest cost of the Series 2006C Bonds shall not exceed six and one-half percent (6.5%), the true interest cost of the Series 2006C-T Bonds shall not exceed seven and one-half percent (7.5%), the Underwriters' discount (excluding original issue discount, if any) on either series of Bonds shall not exceed one-half of one percent (0.5%), and the final maturity for the Bonds shall not exceed 40 years. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the Purchase Agreement.

Section 2. Official Statement. The Official Statement relating to the Bonds, together with such amendments and supplements as shall be necessary or convenient to accurately describe the Bonds in accordance with the Purchase Contract, this Resolution and the other related proceedings and documents, is hereby approved for distribution to the purchasers of the Bonds.

Section 3. Official Action. The President, the Executive Director, the Treasurer and the Secretary of the Authority, and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the sale and delivery of the Bonds to the Authority for resale and delivery to the Underwriters pursuant to the Purchase Contract approved herein.

Section 4. Effective Date. This resolution shall take effect from and after the date of approval and adoption thereof.

The foregoing resolution was passed and adopted by the Board of Directors of the Oakland Joint Powers Financing Authority at a special meeting held on September __, by the following vote:

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and CHAIRPERSON DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

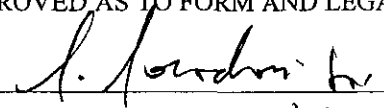
ATTEST: _____

LaTonda Simmons
Secretary of the Oakland Joint Powers Financing
Authority of the City of Oakland, California

OFFICE OF THE CITY CLERK
OF OAKLAND

2006 AUG 31 AM 11:19

APPROVED AS TO FORM AND LEGALITY


K. S. Boyd

CITY OF OAKLAND

RESOLUTION NO. ____ C.M.S.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLAND APPROVING ISSUANCE BY THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND OF NOT TO EXCEED \$6,940,000 PRINCIPAL AMOUNT OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2006C, AND \$14,330,000 PRINCIPAL AMOUNT OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2006C-T (FEDERALLY TAXABLE), AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, the Redevelopment Agency of the City of Oakland (the "Agency") intends to issue not to exceed \$6,940,000 aggregate principal amount of its Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C, and its not to exceed \$14,330,000 aggregate principal amount of Broadway/MacArthur/San Pablo Redevelopment Project Tax Allocation Bonds, Series 2006C-T (Federally Taxable) (collectively, the "Bonds"), under and pursuant to the provisions of Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California (the "Law") and other applicable laws, for the purpose of financing redevelopment activities within and of benefit to the Agency's Broadway/MacArthur/San Pablo Redevelopment Project; and

WHEREAS, Section 33640 of the Law requires the Agency to obtain the approval of the City Council of the City of Oakland prior to issuance of the Bonds; and

WHEREAS, the City Council of the City of Oakland (the "City Council") finds the issuance of the Bonds as being in the public interests of the City of Oakland and of the Agency; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Oakland as follows:

Section 1. Approval of Issuance of Bonds. The City Council of the City of Oakland hereby approves the issuance of the Bonds by the Agency as being in the public interest of the City of Oakland and of the Agency.

Section 2. Subordination. The City Council hereby approves the subordination of the statutory pass-through payments owed to it by the Agency with respect to the Broadway/MacArthur/San Pablo Redevelopment Project pursuant to Section 33607.5(e) of the Law, and any other amounts owed to the City by the Agency, to the payment of debt service on the Bonds.

Section 3. Effect. This Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the
Council of the City of Oakland, California