

2010 JUN 30 PM 5:45

**REDEVELOPMENT AGENCY
AND THE CITY OF OAKLAND
AGENDA REPORT**

TO: Office of the City/Agency Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: July 13, 2010

RE: **An Agency Resolution Amending Resolution Nos. 2009-0072, 2009-0090 and 2010-0055 C.M.S. to Amend the Budget for Fiscal Years 2010-11 to Revise Appropriations Related to an Overpayment of Tax Increment Revenue to the Oak Center and Stanford Adeline Redevelopment Areas, and an Under-realization of Tax Increment Revenue in FY 2009-10**

A City Resolution Forgiving the Remaining Interest and Principal Owed on the \$3,285,131 Debt from the Redevelopment Agency under the 1966 Oak Center Repayment Contract

SUMMARY

Alameda County has recently notified the Redevelopment Agency of an overpayment of tax increment revenue made by the County to the Agency during the period of 2005-2010. The County made these overpayments in prior years without anyone being aware that the project areas had exceeded the maximum of tax increment revenue they are permitted to collect.

The total of overpayments from prior years and current year shortfalls in tax increment revenue is \$2,584,490. It applies to just two project areas: Oak Center (\$2,454,164) and Stanford-Adeline (\$130,326), see *Attachment A*, Tax Increment Payments. The \$2,584,490 total can also be broken down into two amounts: \$2,539,428 that is owed to the County for overpayments received; and \$44,702 that the Redevelopment Agency budgeted expected to receive in FY 2009-10, but did not, once the mistake was realized.

This report seeks authorization to cover the \$2,584,490 shortfall, using a variety of sources detailed in the Fiscal Impact below. This report also proposes that the City forgive the remaining principal and interest owed on the \$3,285,131 debt from the Redevelopment Agency under the 1966 Oak Center Repayment Contract, since Oak Center will have no remaining fund balance and is no longer able to collect tax increment revenue.

FISCAL IMPACT

The table below outlines the sources proposed to cover the \$2,584,490 shortfall:

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| | |
|--|--------------------|
| Oak Center | |
| Shortfall | (\$2,454,164) |
| (1) Low-/Mod Income Housing Fund (9580) appropriations | \$613,541 |
| (2) Oak Center Fund Balance | \$545,000 |
| (3) Redevelopment Planning Fund (9101) Fund Balance | <u>\$300,000</u> |
| Short Fall | (\$995,623) |
| (4) Proposed Source - Acorn Carryforward appropriations | \$530,460 |
| (4) Proposed Source - Acorn O&M appropriations | \$465,163 |
| Total | \$995,623 |
| | |
| Stanford/Adeline | |
| Shortfall | (\$130,326) |
| (5) Stanford/Adeline O&M | \$80,245 |
| (5) Stanford/Adeline Fund Balance | \$40,000 |
| (7) Low-/Mod-Income Housing Fund Additional Appropriations | \$10,081 |
| Total | \$130,326 |

- (1) Low/Mod Income Housing Fund (9580) appropriations: These appropriations represent overpayments from Oak Center to the Low/Mod fund in prior years, stemming from the overpayment of tax increment to Oak Center. This appropriation loss will reduce the amount available in FY 2010-11 for the affordable housing NOFA;
- (2) Oak Center Fund Balance: The loss of this fund balance means Oak Center will not be able to make its final debt payment to the City's General Fund of \$400,000. Redevelopment staff have proposed an additional \$400,000 land sale, which would come from another redevelopment area. The land sale action has been brought forth separately as part of the FY 2010-11 budget balancing measures;
- (3) Redevelopment Planning Fund Balance: Carryforward appropriations for projects relating to Broadway/MacArthur/San Pablo, Central City East and West Oakland will be eliminated;
- (4) Acorn Carryforward and FY 2010-11 Appropriations. A combination of carryforward and FY 2010-11 appropriations for the Acorn Project Area (Fund 9501) will be eliminated;
- (5) Stanford-Adeline Carryforward and FY 2010-11 Appropriations A combination of carryforward and FY 2010-11 appropriations for two Stanford-Adeline project areas (Funds 9558 and 9559) will be eliminated;
- (6) Low/Mod Income Housing Fund (9580) Additional Appropriation. An additional Low/Mod Income Housing Fund (9580) appropriation will be eliminated from the Stanford/Adeline overpayment.

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As necessary, the \$2,584,164 freed up by the actions above will be transferred to the Oak Center Operations Fund (9552) and Stanford-Adeline Operations Fund (9558). Oak Center will then make a payment to Alameda County of \$2,454,164 and Stanford-Adeline will make a payment to Alameda County of \$85,624. The remaining appropriation deletions in Stanford-Adeline will offset the \$44,702 in budgeted tax increment revenue in this fund that was not received in FY 2009-10.

BACKGROUND

The Oak Center Urban Renewal Plan was adopted by the Oakland City Council on November 30, 1965, Ordinance No. 7304 C.M.S.

The Oak Center Urban Renewal Plan was amended on December 16, 1986 to establish limits required by California Health and Safety Code Section 33333.4 including limiting the collection of tax increment in Oak Center to \$12,572,000, Ordinance No. 10824 C.M.S.

The Stanford/Adeline Redevelopment Plan was adopted by the Oakland City Council on April 10, 1973, Ordinance No. 8791 C.M.S.

The Stanford/Adeline Redevelopment Plan was amended on December 16, 1986 to establish limits required by California Health and Safety Code Section 33333.4 including limiting the collection of tax increment in Oak Center to \$1,625,000, Ordinance No. 10820 C.M.S.

THE PROJECT

When the Redevelopment Agency began implementing redevelopment activities in Oak Center in 1966, debt was created between the City and the Redevelopment Agency through the Oak Center Repayment Contract. This debt was based on Oak Center public infrastructure and public facilities provided by the City but that were to be paid for by the Agency, including improvements to: streets; sewers; street lights, alarms and signals; fire hydrants; recreational facilities; and a fire house. The total amount of the Oak Center Repayment Contract was \$3.3 million. This debt allowed the Agency to collect the tax increment from the area and implement additional projects for almost 28 years before repayment was required.

The Oak Center Urban Renewal Plan allowed the Agency to collect a maximum of \$12.6 million thru the plan life. According to the Agency records, Oak Center reached this limit in FY 2006-07 and collected its final tax increment payment. Oak Center first incurred its debt with the City in 1966, but it wasn't until 1994 the Agency made its first debt service payment in the amount of \$67,600. By this time the Agency had collected approximately \$4.5 million in tax increment from Oak Center, \$8.1 million was remaining to be collected under the limit and the outstanding debt due to the City from Oak Center, including interest, was \$9.7 million. Because of the almost 30 years of accrued interest, the Agency no longer had the ability to repay the remaining debt. During the remaining term of the Oak Center Plan the Agency could only collect a maximum of \$8.1 million leaving \$6.5 million, net of set-asides, to pay debt and operating costs. The Agency seems to have collected additional tax increment, above the limit per the County's

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claim, which allowed the Agency to repay the City more than should have been possible. Once the Agency thought it reached the cap and stopped claiming tax increment for Oak Center, the County reviewed the payment history and noticed the overpayment.

From FY 1993-94 through FY 2009-10, the Agency was able to reallocate some carry-forwards and other funds and has made \$7.8 million in payments, see *Attachment B*, Loan Payable Oak Center. The Agency has also made payments to the City for staffing and has made some project expenditures for public infrastructure and facilities. The ability of the Agency to contribute at this heightened level seems to be due to an over payment of tax increment to the Agency by Alameda County.

Oak Center Debt has been brought to the attention of the City Administrator's Office several times. In 2007 the Agency began exploring ways to continue making payments to the City after Oak Center stopped collecting tax increment from the County. Tax increment and bond funds, which make up almost all of the Agency's funds, are restricted to the redevelopment area that generates them. The other redevelopment areas are not responsible for and can not use tax increment or bond funds to repay this debt. There were community meetings with the Oak Center Neighborhood Association and the West Oakland Project Area Committee to discuss merger of Oak Center with Acorn and West Oakland. This merger would have allowed the Agency to show blight in the combined areas and amend the limit on collecting tax increment from Oak Center. For various reasons there was community opposition and the short term result was that the City continued to receive debt payments from fund balance (\$700,000 per year in FY 2007-08 and 2008-09, \$1,400,000 in FY 2009-10 and allocated \$400,000 in FY 2010-11, which is now being eliminated) and started receiving its share of the property taxes no longer being collected as tax increment in FY 2007-08 by the Agency (the City's share is about \$400,000 per year and growing). This resulted in a short term jump in General Fund revenue starting in FY 2007-08.

The recent City Budget Amendments authorized a \$1.0 million debt service payment from the Agency Planning Funds. Most of the Planning Funds (Funds 9101 and 9102) are from land sales proceeds that were unrestricted and therefore could have been used for the debt payment to the City. The \$1.0 million identified was in Fund 9103, which is a Community Investment Fund from contributions from the City Center development, Bramela Pacific in the early 1990s and Shorenstein in 2001 and is restricted to job training and housing programs. It would require an amendment to the City Center Disposition and Development Agreement to modify this restriction. This action was therefore revised to fund programs that are currently funded from the General Fund with this source instead, which has the same result for the General Fund - \$1.0 million savings. This was also considered a payment on the Oak Center debt, per City Resolution No. 82732 C.M.S. and Agency Resolution No. 2010-0056 C.M.S. adopted on April 29, 2010.

KEY ISSUES AND IMPACTS

There are no additional sources of funds to repay the Oak Center debt after the fund balance is expended in FY 2010-11. CEDA staff is therefore proposing to have the City write this debt off. Over the term of this note, the City will have received almost 2.4 times the original principal in

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payments from the Agency (\$7.8 million in payments versus \$3.3 million in improvement funded by the City). The Redevelopment Agency therefore respectfully requests that the City of Oakland forgive the remaining debt generated from the City's 1966 loan to the Oak Center Redevelopment Area. The structuring of this debt made it impossible for the Agency to ever fully repay it with all of the accrued interest.

Redevelopment Division is working with the Budget Office to identify sources of revenue to offset the \$400,000 loss for FY 2010-11. Staff has identified several City owned properties that could be sold to the Agency and is working out timing and funding issues. These activities are part of the larger General Purpose Fund budget balancing activities for FY 2010-11 and will be addressed as part of the budget legislation.

SUSTAINABLE OPPORTUNITIES

Economic: There are no sustainable economic opportunities that apply to the proposed legislation.

Environmental: There are no sustainable economic opportunities that apply to the proposed legislation.

Social Equity: There are no social equity opportunities that apply to the proposed legislation.

DISABILITY AND SENIOR CITIZEN ACCESS

The proposed legislation does not involve issues related to disability and senior citizen access.

RECOMMENDATIONS AND RATIONALE

It is recommended that the Agency and City Council approve the proposed legislation to amend the Agency budget and for the City to forgive the Agency debt from Oak Center. The Agency legislation will implement reductions in revenue and expenditures due to negative revenue in Oak Center and Stanford/Adeline. If the Agency does not approve the proposed Agency legislation, there will be a large negative fund balance in Oak Center and a small negative fund balance in Stanford/Adeline with no expectation of correction. This will require Oak Center and Stanford/Adeline to borrow from the fund balance of other redevelopment areas, which they will never be able to repay. The Agency is not in a good position to provide this loan of funds after the large draw on fund balances to make the Supplemental Educational Revenue Augmentation Fund ("SERAF") payment in May.

The Agency legislation will eliminate all funds in Oak Center. In addition, the Oak Center Redevelopment Area has collected all authorized tax increment and will not receive any additional revenue. This leaves Oak Center with no funds from which to make additional payments to the City. Because the City did not require initial payments, all the tax increment revenue was appropriated for additional projects and programs in Oak Center, the interest built to the point where Oak Center could never payoff the debt. None of the other Redevelopment Areas are

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- Eliminate all remaining Oak Center fund balance, approximately \$545,000 (Fund 9552);
- Eliminate all remaining Stanford/Adeline fund balance by \$40,000 (Fund 9558 and 9559); reduce Stanford/Adeline FY 2010-11 appropriations by \$80,245 (Fund 9558) and transfer Low/Mod Income Housing Fund (9580) appropriations by \$10,081;
- Reduce \$613,541 in Low/Mod Income Housing Fund (9580) appropriations for the annual affordable housing Notice of Funding Availability (“NOFA”);
- Eliminate remaining appropriations for the Broadway/MacArthur/San Pablo, Central City East and West projects, and transfer all of the funds remaining in the Planning Fund to Oak Center, approximately \$300,000 (Fund 9101);
- Reduce project carryforwards by \$530,460 and FY 10-11 appropriations by \$465,163 in Acorn Operations (Fund 9501);

and be it further

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his designee to take any other actions required with respect to amending the Agency FY 2010-11 Budget to implement the \$2,539,788 in tax increment revenue reductions for Oak Center and Stanford/Adeline.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2010

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID,
AND CHAIRPERSON BRUNNER

NOES-

ABSENT-

ABSTENTION-

ATTEST:

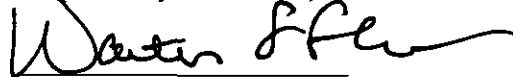
LaTonda Simmons
Secretary of the Redevelopment
Agency of the City of Oakland,
California

responsible for this debt and their tax increment, bonds and other revenue are limited to the areas which generate them. Furthermore, the Agency has already paid over twice the initial debt amount for improvements to the City's infrastructure and facilities and the City directly benefitted from the improvements.

ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY

It is recommended that the Agency and City Council approve legislation authorizing: 1) an Agency resolution amending Resolution Nos. 2009-0090 and 2010-0055 to amend the budget for Fiscal Years 2010-11 to revise revenue projections and appropriations related to negative revenue in Oak Center and Stanford/Adeline Redevelopment Areas; and 2) a City Resolution forgiving the remaining interest and principal owed on the \$3,285,131 debt from the Redevelopment Agency under the 1966 Oak Center Repayment Contract.

Respectfully submitted,

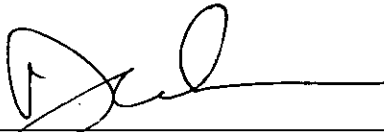


Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by:
Gregory Hunter, Deputy Director
Economic Development and Redevelopment

Prepared by:
Patrick Lane
Redevelopment Manager

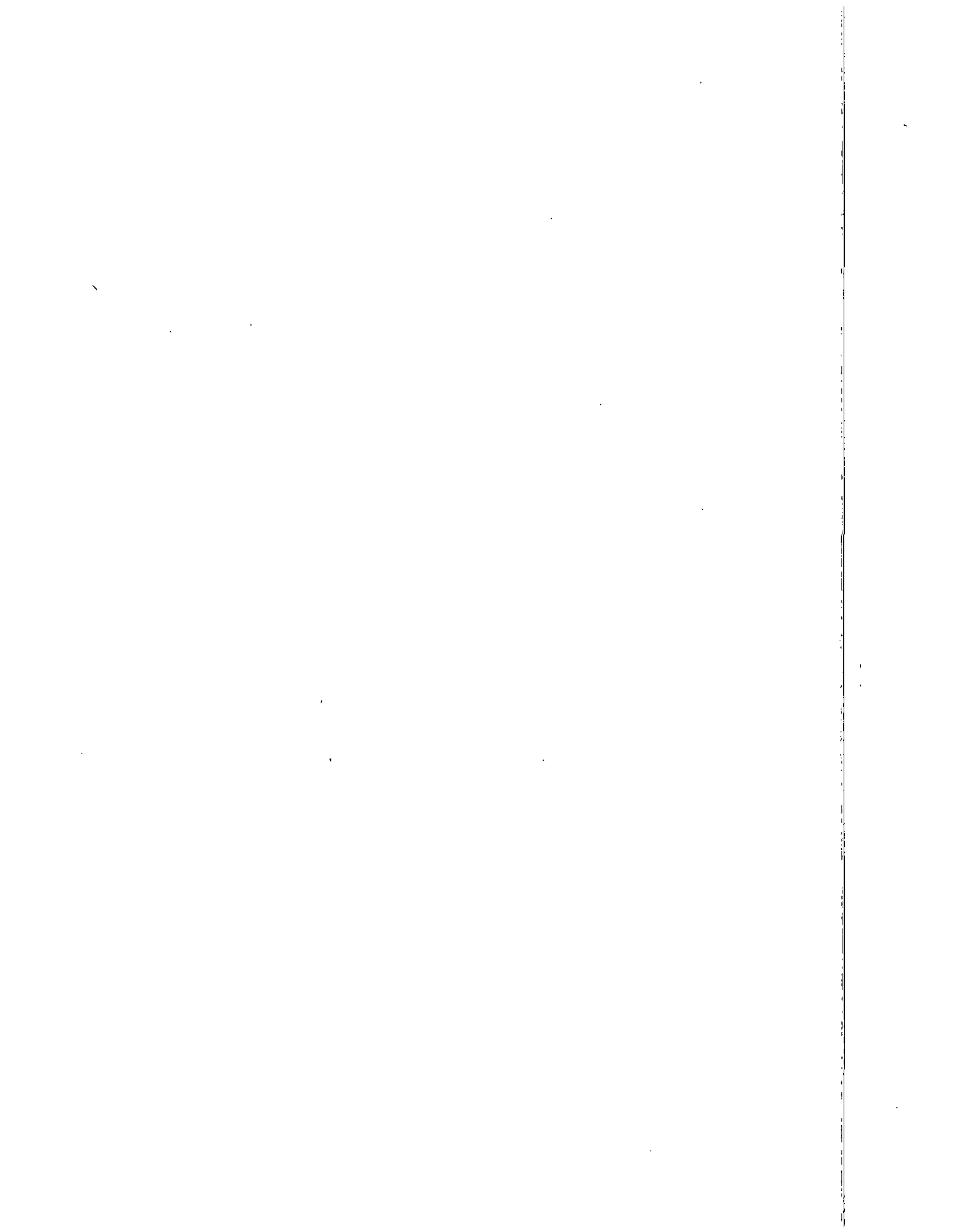
APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE:



Office of the City/Agency Administrator

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**ATTACHMENT A
Tax Increment Payments**

| | Oak Center | | Stanford/Adeline | |
|------------------------|---------------|--------------------------|------------------|-------------------------|
| | CAP Annual | 12,572,000 Cumulative | CAP Annual | 1,625,000 Cumulative |
| Prior | 61,635 | 61,635 | - | - |
| 76/77 | 51,610 | 113,245 | - | - |
| 77/78 | 137,291 | 250,536 | - | - |
| 78/79 | 52,588 | 303,125 | 583 | 583 |
| 79/80 | 62,357 | 365,482 | 2,259 | 2,842 |
| 80/81 | 82,309 | 447,791 | 13,809 | 16,651 |
| 81/82 | 146,596 | 594,387 | 29,286 | 45,937 |
| | 42,642 | 637,028 | 300 | 46,237 |
| 82/83 | 176,393 | 813,421 | 31,839 | 78,076 |
| 83/84 | 221,249 | 1,034,670 | 32,763 | 110,839 |
| 84/85 | 187,300 | 1,221,970 | 13,760 | 124,599 |
| 85/86 | 229,788 | 1,451,758 | - | 124,599 |
| 86/87 | 271,255 | 1,723,013 | - | 124,599 |
| 87/88 | 277,077 | 2,000,090 | 40,862 | 165,461 |
| 88/89 | 302,404 | 2,302,494 | 41,770 | 207,231 |
| 89/90 | 352,960 | 2,655,454 | 47,473 | 254,704 |
| | 46,313 | 2,701,767 | 1,028 | 255,732 |
| 90/91 | 375,829 | 3,077,596 | 46,907 | 302,639 |
| 91/92 | 411,032 | 3,488,628 | 49,387 | 352,026 |
| 92/93 | 442,867 | 3,931,495 | 52,105 | 404,131 |
| 93/94 | 449,433 | 4,380,928 | 52,441 | 456,572 |
| 94/95 | 516,989 | 4,897,917 | 53,106 | 509,678 |
| 95/96 | 565,242 | 5,463,159 | 57,152 | 566,830 |
| 96/97 | 603,467 | 6,066,626 | 44,232 | 611,062 |
| 97/98 | 615,880 | 6,682,506 | - | 611,062 |
| 98/99 | 613,325 | 7,295,831 | 61,341 | 672,403 |
| 99/00 | 634,516 | 7,930,347 | 66,848 | 739,251 |
| 00/01 | 710,311 | 8,640,658 | 18,376 | 757,627 |
| 01/02 | 771,250 | 9,411,908 | 25,360 | 782,987 |
| 02/03 | 837,490 | 10,249,398 | - | 782,987 |
| 03/04 | 918,458 | 11,167,856 | 96,334 | 879,321 |
| 04/05 | 1,030,581 | 12,198,437 | 125,610 | 1,004,931 |
| 05/06 | 1,230,233 | 13,428,670 | 134,960 | 1,139,891 |
| 06/07 | 1,599,400 | 15,028,070 | 160,584 | 1,300,475 |
| 07/08 | 109,199 | 15,137,269 | 164,205 | 1,464,680 |
| 08/09 * | (111,105) | 15,026,164 | 169,756 | 1,634,436 |
| 09/10 ** | | | 120,889.66 | 1,755,325.76 |
| EXCESS OVER CAP | | 2,454,164 | | 130,326 |

* reimbursement for 08/09 overpayments and prior year tax admin adjustments.

* & ** includes \$85,624 to reimburse County and \$44,702 of unrealized revenue.

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**ATTACHMENT B
Loan Payable Oak Center**


| Fiscal Year | Beginning Balance | Interest Accrual | Deductions Payment / Adj. | End. Balance June 30, |
|------------------------------|--------------------------|-------------------------|----------------------------------|------------------------------|
| 1993 | 9,218,556.18 | | | 9,218,556.18 |
| 1994 | 9,218,556.18 | 544,317.07 | (67,600.00) | 9,695,273.25 |
| 1995 | 9,695,273.25 | 563,465.75 | (275,000.00) | 9,983,739.00 |
| 1996 | 9,983,739.00 | 595,912.22 | | 10,579,651.22 |
| 1997 | 10,579,651.22 | 635,903.61 | (200,000.00) | 11,015,554.83 |
| 1998 | 11,015,554.83 | 450,521.78 | (200,000.00) | 11,266,076.61 |
| 1999 | 11,266,076.61 | 671,224.30 | | 11,937,300.91 |
| 2000 | 11,937,300.91 | 689,147.30 | (400,000.00) | 12,226,448.21 |
| 2001 | 12,226,448.21 | 728,846.59 | | 12,955,294.80 |
| 2002 | 12,955,294.80 | 707,482.40 | (740,000.00) | 12,922,777.20 |
| 2003 | 12,922,777.20 | 768,777.86 | (543,200.00) | 13,148,355.06 |
| 2004 | 13,148,355.06 | 768,743.34 | (800,000.00) | 13,117,098.40 |
| 2005 | 13,117,098.40 | 768,483.43 | (800,000.00) | 13,085,581.83 |
| 2006 | 13,085,581.83 | 731,153.61 | (478,897.00) | 13,337,838.44 |
| 2007 | 13,337,838.44 | 797,152.74 | (512,573.00) | 13,622,418.18 |
| 2008 | 13,622,418.18 | 814,698.52 | (700,000.00) | 13,737,116.70 |
| 2009 | 13,737,116.70 | 824,227.00 | (700,000.00) | 13,861,343.70 |
| 2010 | 13,861,343.70 | 831,680.62 | (1,400,000.00) | 13,293,024.32 |
| Total Agency Payments | | | (7,817,270.00) | |

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FILED
OFFICE OF THE CITY CLERK
OAKLAND

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Approved as to Form and Legality

By: 
Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

AGENCY RESOLUTION AMENDING RESOLUTION NOS. 2009-0072, 2009-0090 AND 2010-0055 C.M.S TO AMEND THE AGENCY BUDGET FOR FISCAL YEAR 2010-11 TO REVISE APPROPRIATIONS RELATED TO AN OVERPAYMENT OF TAX INCREMENT REVENUE TO THE OAK CENTER AND STANFORD/ADELINE REDEVELOPMENT AREAS, AND AN UNDERREALIZATION OF TAX INCREMENT REVENUE IN FISCAL YEAR 2009-10

WHEREAS, the Agency adopted its biennial budget for Fiscal Years 2009-2011 on June 30, 2009, Resolution No. 2009-0072 C.M.S.; and

WHEREAS, the Agency amended its adopted biennial budget for Fiscal Years 2009-2011 on October 6, 2009, Resolution No. 2009-0090 C.M.S. and April 29, 2009, Resolution No. 2010-0055 C.M.S.; and

WHEREAS, on April 25, 2010 Alameda County Auditor-Controller Agency informed the Redevelopment Agency that the Oak Center and Stanford/Adeline redevelopment projects have exceeded their combined tax increment limits by \$2,539,788, including \$2,454,164 in Oak Center (Fund 9552) and \$85,624 in Stanford/Adeline (Fund 9558); and

WHEREAS, Alameda County reduced the May 11, 2010, tax increment payment to the Agency by the overpaid amounts, resulting in negative fund balances in the Oak Center and Stanford/Adeline operating funds; and

WHEREAS, the Agency therefore needs to reduce revenue appropriations and make offsetting reductions to fund balance or expenditure appropriations; and

WHEREAS, redevelopment staff have identified reductions; now, therefore, be it

RESOLVED: That the Agency hereby amends its budget for Fiscal Year 2010-2011 by the following actions to offset the underrealized tax increment revenue:

- Eliminate all remaining Oak Center fund balance, approximately \$545,000 (Fund 9552);
- Eliminate all remaining Stanford/Adeline fund balance by \$40,000 (Fund 9558 and 9559); reduce Stanford/Adeline FY 2010-11 appropriations by \$80,245 (Fund 9558) and transfer Low/Mod Income Housing Fund (9580) appropriations by \$10,081;
- Reduce \$613,541 in Low/Mod Income Housing Fund (9580) appropriations for the annual affordable housing Notice of Funding Availability (“NOFA”);
- Eliminate remaining appropriations for the Broadway/MacArthur/San Pablo, Central City East and West projects, and transfer all of the funds remaining in the Planning Fund to Oak Center, approximately \$300,000 (Fund 9101);
- Reduce project carryforwards by \$530,460 and FY 10-11 appropriations by \$465,163 in Acorn Operations (Fund 9501);

and be it further

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his designee to take any other actions required with respect to amending the Agency FY 2010-11 Budget to implement the \$2,539,788 in tax increment revenue reductions for Oak Center and Stanford/Adeline.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2010

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID,
AND CHAIRPERSON BRUNNER

NOES-

ABSENT-

ABSTENTION-

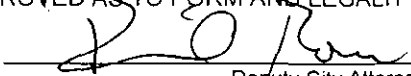
ATTEST:

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

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 JUN 30 PM 6:40

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

**A RESOLUTION FORGIVING THE REMAINING INTEREST
AND PRINCIPAL OWED ON THE \$3,285,131 DEBT FROM
THE REDEVELOPMENT AGENCY UNDER THE 1966 OAK
CENTER REPAYMENT CONTRACT**

WHEREAS, the City and Redevelopment Agency entered into the Oak Center Repayment Contract June 16, 1966; and

WHEREAS, under the Oak Center Repayment Contract the Agency requested that the City construct improvements for the use and benefit of the Oak Center Project Area, including improvements to: streets; sewers; street lights, alarms and signals; fire hydrants; recreational facilities; and a fire house; and

WHEREAS, under the Oak Center Repayment Contract the Agency agreed to pay the City \$3,285,131 in principal plus interest at a rate of six percent for the improvements; and

WHEREAS, the Agency has collected all available tax increment and other revenue from the Oak Center Redevelopment area and used it to repay the City; and

WHEREAS, the Agency has paid the City approximately \$7,817,270 in principal and interest between 1994 and 2010; and

WHEREAS, the Agency is no longer receiving tax increment revenue from the Oak Center redevelopment project area, since it has reached the tax increment cap specified in the redevelopment plan; and

WHEREAS, \$13,293,024 in principal and interest remains outstanding on the Oak Center Repayment Contract; now, therefore, be it

RESOLVED: That the City Council hereby forgives and releases the Redevelopment Agency from the remaining debt under the Oak Center Repayment Contract; and be it further

RESOLVED: That the Council hereby authorizes the City Administrator or his designee to take any other actions required with respect to forgiving said debt consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2010

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID,
AND PRESIDENT BRUNNER

NOES-

ABSENT-

ABSTENTION-

Attest: _____

—
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California