



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2016 APR 14 PM 6:11 **AGENDA REPORT**

TO: Sabrina B. Landreth
City Administrator

FROM: Brooke A. Levin
Director, Public Works

SUBJECT: Measure DD Interest Allocation

DATE: March 16, 2016

City Administrator Approval *[Signature]* Date: *4/14/16*

RECOMMENDATION

Staff Recommends That The City Council Approve A Resolution To Allocate The Remaining \$3,127,049.00 Measure DD Series 2003A And 2009B Unallocated Interest Funds To Previously Approved Measure DD Series B Projects As The City Administrator Deems Necessary To Assure The Timely Completion Of Measure DD Projects.

EXECUTIVE SUMMARY

Approximately \$3.1 million in interest funds have accrued to Measure DD Bond Series 2003A and 2009B. Approval of this resolution will authorize the City Administrator to allocate those funds to approved measure DD projects and allow adjustments of the interest funds as needed. These interest earnings must be spent before additional bonds are sold. Allocating the interest monies to approved Measure DD projects will expedite completion of projects underway and allow issuance of the third series of bonds. The attached list shows the previously approved active Measure DD projects (**Attachment A**) that will serve as the guiding plan for allocating the interest funds.

BACKGROUND / LEGISLATIVE HISTORY

This report requests City Council's approval of a resolution to allocate the remaining Measure DD Bond Series 2003A and 2009B unallocated interest funds of approximately \$3.1 million to Measure DD approved projects that are currently underway. Measure DD, the Oakland Trust for Clean Water and Safe Parks is a \$198,250,000 general obligation bond measure passed by Oakland voters in November 2002.

The bond's five categories are:

- Lake Merritt and Water Quality Improvements \$ 88,250,000
- Estuary Waterfront Access, Parks and Clean-up \$ 53,000,000
- Lake Merritt to Estuary Connection Channel \$ 27,000,000
- Youth and Public Recreation Facilities \$ 20,000,000
- Creeks and Waterways Restoration \$ 10,000,000

Bond Total \$198,250,000

Item: _____
Public Works Committee
April 26, 2016

Council has previously adopted the following resolutions for allocation of Measure DD funds:

July 2003, City Council by Resolution No. 77965 C.M.S. – Allocation, appropriation and implementation plan for of \$70,579,000 of Measure DD series 2003A.

June, 2009, Council by Resolution No. 82096 C.M.S. – Allocation, appropriation and implementation plan for \$64,543,403 Measure DD series 2009B and authorization for final adjustments to Measure DD Series 2003A bond allocations.

March 2014 Council by Resolution No. 84914 C.M.S. - Reallocation of and authorization for final adjustments to Measure DD Bond Series 2009B funds.

This report makes recommendations for the allocation of the remaining unallocated Series 2003A and 2009B interest funds to previously approved active Measure DD Series 2009B projects.

Measure DD Status

Overall, Measure DD is more than 70% complete. **Attachment B** provides a status summary of all Measure DD projects to date.

ANALYSIS AND POLICY ALTERNATIVES

Interest Monies Allocation

Approximately \$2.6 million remains in Series 2003A interest funds and \$430,000 in Series 2009B interest funds for a total of \$3,127,049.00 in unallocated Measure DD interest funds. The interest funds need to be expended prior to the next sale (Series C) of Measure DD bonds. Series 2009B is expected to be fully expended approximately this Fall.

Staff is recommending that the remaining Measure DD interest funds be allocated to approved Measure DD projects that are currently underway including:

Project Name	Project Number (Fund 5321)
• Snow Park/ 20th/ Lakeside Green St.	• C393613, C393910
• Bellevue Ave. and Garden Center Entry	• C393612
• Bellevue Ave. Reconfiguration	• C393811
• Sailboat House Shoreline	• C393710
• Port Trails (4 segments)	• C394610
• Union Point Park to Park Street Bridge Trail	• C395410
• High Street Bridge Catwalk Trail	• C394812

- Estuary Park
 - Lake Merritt to Bay Trail
 - 10th Street
 - Sausal Creek - Dimond Park
- C394110
 - C394410
 - C277110, C395610
 - C395912

Using the Measure DD interest funds on previously approved Measure DD projects is the most expedient method to spend down the funds and will ensure that the interest funds are fully expended prior to the sale of the next series of Measure DD bonds. This resolution will authorize the City Administrator to make allocations to the interest fund within previously approved Measure DD projects as necessary and will provide the discretion needed to meet Series 2009B spending needs until the next sale of Measure DD bonds.

Next Bond Sale

The remaining Series 2009B funds will be exhausted by Fall 2016. Authorization to allocate the remaining Measure DD interest funds to previously approved Measure DD projects is necessary to ensure that Measure DD projects keep moving forward without interruption. Staff will return to Council in the next few months with a request and schedule for authorization to issue the next series of Measure DD general obligation.

FISCAL IMPACT

Approval of this resolution will result in funding an amount of up to \$3,100,000 for previously approved Measure DD projects from the remaining Measure DD Series 2003A (Oakland Trust for Clean Water and Safe Parks, Fund 5320, Capital Project Management Organization 92270) and 2009B interest fund balance (Oakland Trust for Clean Water and Safe Parks, Fund 5321, Capital Project Management Organization 92270).

PUBLIC OUTREACH / INTEREST

Public outreach for Measure DD has been continuously conducted through the Measure DD Community Coalition. The DD Coalition was formed to establish an ongoing dialogue between the City of Oakland and the community on how bond measure is being implemented. The group meets bi-monthly and provides regular updates to the public through the Measure DD website and has previously reviewed the projects affected by this action. The Coalition was informed of this action at its bi-monthly meeting on March 21, 2016. This action allocates interest money to assure that projects reviewed by the Coalition are completed timely.

COORDINATION

Staff has coordinated with the Office of the City Attorney and the Controller's Bureau in preparation for this report.

SUSTAINABLE OPPORTUNITIES

Economic: Measure DD projects provides construction jobs for local residents, enhances business and residential development opportunities along Oakland's waterfront, increases property values and improves the business climate around Lake Merritt, and promote Oakland's image as an environmentally sustainable and clean city, which boosts tourism, attracts new residents, and leads to job creation.

Environmental: Measure DD projects are at the forefront of environmentally sustainable design. LEED certification of buildings, energy efficient design, use of reclaimed water, daylighting and restoration of creeks, preservation of watershed lands, treatment of stormwater runoff and water quality improvements, creation of new wetlands, traffic calming, and promotion of pedestrian and bicycle use are all integral elements of the Measure DD program.

Social Equity: Implementation of Measure DD projects improves water quality and expands accessible parkland, trails, and open space City-wide.

CEQA

An Environmental Impact Report for the City of Oakland Trust for Clean Water, Safe Parks Bond Measure Implementation Project was adopted April 1, 2008, City Council, by Resolution No. 81180 C.M.S.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Approve A Resolution To Allocate The Remaining \$3,127,049.00 Measure DD Series 2003A And 2009B Unallocated Interest Funds To Previously Approved Measure DD Series B Projects As The City Administrator Deems Necessary To Assure The Timely Completion Of Measure DD Projects.

For questions regarding this report, please contact Lesley Estes (510) 238-7431.

Respectfully submitted,



BROOKE A. LEVIN
Director, Oakland Public Works

Reviewed by:
Michael J. Neary, P.E., Assistant Director
Bureau of Engineering & Construction

Prepared by:
Lesley Estes, Manager
Watershed and Measure DD

Attachments (2):

- A: Measure DD Approved Active Projects*
- B: Summary of Measure DD Projects*

ATTACHMENT A

Measure DD Approved Active Projects

March 16 2016

Project Name	Project Number (Fund 5321)
<i>Lake Merritt Restoration and Water Quality</i>	
Snow Park/ 20th/ Lakeside Green St.	C393613, C393910
Bellevue Ave. and Garden Center Entry	C393612
Bellevue Ave. Reconfiguration	C393811
Sailboat House Shoreline	C393710
<i>Estuary Waterfront Access and Bay Trail</i>	
Port Trails (4 segments)	C394610
Union Point Park to Park Street Bridge Trail (3 segments)	C395410
High Street Bridge Catwalk Trail	C394812
Estuary Park	C394110
<i>Lake Merritt to Estuary Connection</i>	
Lake Merritt to Bay Trail	C394410
10th Street	C277110, C395610
<i>Creeks and Waterways Restoration</i>	
Sausal Creek - Dimond Park	C395912

ATTACHMENT B

Measure DD Project Status

March 16 2016

I. Lake Merritt and Water Quality Improvements

- 12th Street Reconstruction and Lake Merritt Boulevard Park Completed
- Lake Merritt Municipal Boathouse Renovation Completed
- Lake Merritt Pergola Renovation Completed
- Historic E. 18th Street Pier Reconstruction Completed
- Lakeside Park Fire Protection System Completed
- Fairyland's Children's Community Theater Completed
- Puppet Theater and renovations at Children's Fairyland Completed
- Lake Merritt Aeration Fountains Completed
- Lake Merritt Stormwater Trash units Ongoing
- El Embarcadero and Lakeshore Ave. Improvements Completed
- Cleveland Cascade renovation Completed
- Sailboat House Shoreline Retaining Wall, Pathways and Parking Lot Improvements Completed
- Bellevue Avenue Reconfiguration Construction Spring 2016
- Garden Center and Bellevue Ave Improvements Construction Fall 2016
- Snow Park/Lakeside Green Street Project Construction Fall 2016

II. Estuary Waterfront Access, Parks and Clean-up

- Union Point Park Completed
- Waterfront Trail at Alameda Avenue Completed
- 66th Avenue Gateway to Waterfront Bay Trail Completed
- Waterfront Trail from Derby Ave. to Lancaster Street and Park Completed
- Waterfront Trail and Park at the former Cryer Boatworks Site Completed
- Fruitvale Ave to High Street Waterfront Bay Trail Completed
- Union Point Park to Park street Bridge Trail Design
- Livingston Pier Trail Connection Construction Fall 2016
- Crowley (formerly known as Brooklyn Basin) Interim Trail Construction Fall 2016
- Harbor Masters Office Trail Design
- Embarcadero Cove Trail Improvements Construction Fall 2016
- Waterfront Trail at High Street and Park Street Bridges Design
- Estuary Park Design

III. Lake Merritt to Estuary Connection Channel

- Lake Merritt Channel at 10th Street Project Under Construction
- Lake Merritt Channel to Bay Trail Design
- Lake Merritt Channel at 7th Street Project On-hold

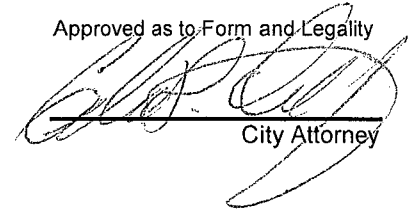
IV. Youth and Public Recreation Facilities

- Studio One Art Center renovation Completed
- East Oakland Sports Aquatic and Recreation Center Completed

V. Creeks and Waterways Restoration

- Watershed acquisitions in Butters Canyon Completed
- Creek restoration in Butters Canyon Completed
- Watershed Acquisition in Beaconsfield Canyon Completed
- Creek Restoration of Arroyo Viejo at Oakland Zoo Completed
- Creek Restoration at Rockridge Greenbelt Completed
- Creek Restoration at Cinderella Creek in Joaquin Miller Park Completed
- Lion Creek Restoration at Lion Creek Crossings Completed
- Shepherd Creek Restoration at Shepherd Canyon Park Completed
- Sausal Creek Restoration – Dimond Park Under Construction
- Claremont Creek Tributary Restoration at Garber Park Completed

2016 APR 14 PM 6:11



City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

APPROVE A RESOLUTION TO ALLOCATE THE REMAINING \$3,127,049.00 MEASURE DD SERIES 2003A AND 2009B UNALLOCATED INTEREST FUNDS TO PREVIOUSLY APPROVED MEASURE DD SERIES B PROJECTS AS THE CITY ADMINISTRATOR DEEMS NECESSARY TO ASSURE THE TIMELY COMPLETION OF MEASURE DD PROJECTS

WHEREAS, on November 5, 2002 Oakland voters passed Measure DD, the Oakland Trust for Clean Water and Safe Parks, a \$198,250,000 general obligation bond authorizing the City to sell bonds to raise funds for a variety of park and water projects; and

WHEREAS, Series 2003A bonds were issued in the amount of \$70,579,000 and the proceeds appropriated in FY 2003-04 per Resolution No. 77965 C.M.S.; and

WHEREAS, Series 2009B bonds were issued in the amount of \$64,543,403, and the proceeds appropriated in FY 2009-10, per Resolution No. 82096 C.M.S.; and

WHEREAS, the remaining \$5,900,000 of series 2009B funds are expected to be fully expended by Fall of 2016; and

WHEREAS, Interest income from Series A bond has accrued in the amount of approximately \$8,100,000 and approximately \$430,000 for Series B; and

WHEREAS, City Council has previously allocated a portion of interest monies as follows: Studio One \$2,000,000, Sailboat House \$181,000, East Oakland Sports Center \$1,200,000 and Municipal Boathouse \$2,050,000, and

WHEREAS, \$3,127,049.00 of Measure DD interest funds remain unallocated; and

WHEREAS, the Measure DD interest funds need to be expended prior to the next sale of Measure DD bonds; and

WHEREAS, allocating the remaining Measure DD interest funds to previously approved Measure DD projects is the most expedient method to accelerate spending of the funds prior to the sale of the next series of Measure DD bonds; and

WHEREAS, minor adjustments for variations in project schedules, scopes and costs will be necessary to spend the interest funds in a timely manner; now, therefore, be it

RESOLVED: that the city council hereby allocates the remaining \$3,127,049.00 Measure DD series 2003A and 2009B unallocated interest funds to previously approved Measure DD series B projects, and be it;

FURTHER RESOLVED: That the City Administrator, or the City Administrator's designee, shall make final adjustments to the remaining Measure DD series 2003A and 2009B unallocated interest funds as the City Administrator deems necessary for the timely completion of Measure DD projects; and be it,

FURTHER RESOLVED: That the City Attorney's Office has reviewed this resolution as to form and legality and a copy is kept on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California