

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING INTENTION TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF TAX-EXEMPT OBLIGATIONS FOR PROJECT COSTS IN CONNECTION WITH OAKLAND TRUST FOR CLEAN WATER AND SAFE PARKS (MEASURE DD), AFFORDABLE HOUSING AND INFRASTRUCTURE (MEASURE KK), AND 2022 AFFORDABLE HOUSING AND INFRASTRUCTURE BOND (MEASURE U)

WHEREAS, on November 5, 2002, City of Oakland (the “City”) voters approved ballot Measure DD (“Measure DD”) authorizing \$198,250,000 in general obligation bonds to fund various City parks, clean water protection and youth recreation projects; and

WHEREAS, on November 8, 2016, City voters approved ballot Measure KK (“Measure KK”) authorizing \$600,000,000 in general obligation bonds to fund various City infrastructure and affordable housing projects; and

WHEREAS, On November 8, 2022, City voters approved ballot Measure U (“Measure U,” and together with Measure DD and Measure KK, the “Ballot Measures”) authorizing \$850,000,000 in general obligation bonds to fund various City infrastructure and affordable housing projects; and

WHEREAS, the City Council of the City (the “City Council”) desires to finance the costs of acquiring, improving, constructing, reconstructing renovating, and/or equipping certain real property and capital improvements in accordance with the Ballot Measures, as provided in Exhibit A attached hereto and incorporated by reference herein (the “Project”); and

WHEREAS, the City intends to finance the acquisition, construction, reconstruction and/or equipping of the Project or portions of the Project with the proceeds of the sale of obligations, in one or more series and issues, the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”); and

WHEREAS, prior to the issuance of the Obligations the City desires to incur certain capital expenditures (the “Expenditures”) with respect to the Project from available moneys of the City; and

WHEREAS, the City has determined that those moneys to be advanced to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the City for the Expenditures from the proceeds of the Obligations;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. The City hereby states its intention and reasonably expects to reimburse Project costs incurred prior to the issuance of the Obligations with proceeds of the Obligations. Exhibit A describes either the general character, type, purpose, and function of the Project, or the fund or account from which Project costs are to be paid and the general functional purpose of the fund or account.

SECTION 2. The reasonably expected maximum amount of the expenditures to be reimbursed with the Obligations is \$165,000,000.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the City will expend moneys for the portion of the Project costs to be reimbursed from proceeds of the Obligations.

SECTION 4. The City will make a reimbursement allocation, which is a written allocation that evidences the City's use of proceeds of the Obligations to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid.

SECTION 5. The limitations described in Section 3 and Section 4 do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred.

SECTION 6. This resolution is adopted as official action of the City in order to comply with Treasury Regulation Section 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of City expenditures incurred prior to the date of issue of the Obligations.

SECTION 7. All the recitals in this Resolution are true and correct and this City Council so finds, determines and represents.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS

NOES –
ABSENT –
ABSTENTION –

ATTEST: _____

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California

EXHIBIT A

DESCRIPTION OF PROJECT

The projects to be financed consist of projects for affordable housing, streets and roads, public facilities, parks and open space, technological infrastructure, public safety and various other capital and real property acquisition, construction and improvements to and for the City of Oakland.