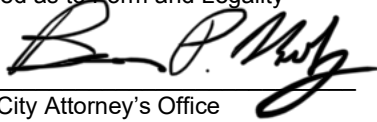


BY: 
City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S

A RESOLUTION OF THE CITY COUNCIL OF INTENTION TO INCUR BONDED AND OTHER INDEBTEDNESS FOR THE OAK KNOLL PROJECT COMMUNITY FACILITIES DISTRICT, AND MAKING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

WHEREAS, this Council has, on this date, adopted "A Resolution of the City Council of Intention to Establish a Community Facilities District, Three Improvement Areas, and a Future Annexation Area To Finance Public Improvements And Public Services for the Oak Knoll Project, And Making Findings Under The California Environmental Quality Act (CEQA)" (Resolution of Intention to Establish), stating its intention to form the "City of Oakland Community Facilities District No. 2021-1 (Oak Knoll Facilities and Services)" (CFD), including the three improvement areas identified below in the CFD and a future annexation area, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code (Ac)", , as further provided in that Resolution of Intention to Establish; and

WHEREAS, this Council has designated the following three improvement areas:

- (a) "Improvement Area No. 1 of the City of Oakland Community Facilities District No. 2021-1 (Oak Knoll Facilities and Services)" (Improvement Area No. 1).
- (b) "Improvement Area No. 2 of the City of Oakland Community Facilities District No. 2021-1 (Oak Knoll Facilities and Services)" (Improvement Area No. 2).
- (c) "Improvement Area No. 3 of the City of Oakland Community Facilities District No. 2021-1 (Oak Knoll Facilities and Services)" (Improvement Area No. 3).

WHEREAS, this Council estimates the amount required for the financing of the costs of the Facilities to be the sum of approximately \$150,000,000; and

WHEREAS, in order to finance the costs of the facilities described in Exhibit A to the Resolution of Intention to Establish (Facilities), it is necessary to incur bonded indebtedness in one or more series in the following aggregate amounts on behalf of the CFD with respect to the Improvement Areas:

- (a) Improvement Area No. 1 : \$ 45,000,000
- (b) Improvement Area No. 2: \$ 50,000,000
- (c) Improvement Area No. 3: \$ 55,000,000

WHEREAS, in order to finance the costs of the Facilities it is further necessary to incur debt (as defined in the Act), although any such debt shall not be subject to the limitations on bonded indebtedness set forth above; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

WHEREAS, the proposed CFD consists of an approximately 183-acre site at the former Oak Knoll Naval Medical Center that is entitled for development of 918 residential units, more than 84 acres of parks and open space and more than 72,000 square feet of neighborhood serving commercial space (the “Project”); and

WHEREAS, Staff made findings under the California Environmental Quality Act (CEQA) that: (1) no supplemental or subsequent environmental review is required for the Project pursuant to CEQA Guidelines sections 15162 and 15163 because the formation of the CFD carries out the requirements of the Project and (2) the formation of the CFD is also exempt under CEQA Guidelines sections 15183, 15301, and 15308; and

WHEREAS, it is in the public interest and for the public benefit that the City declares its official intent to reimburse the expenditures referenced herein; now therefore be it

RESOLVED, That it is necessary to incur, and the City Council hereby declares its intent to incur, bonded indebtedness within the boundaries of the proposed Improvement Areas in the following maximum amounts to finance the costs of the Facilities:

- (a) Improvement Area No. 1 : \$ 45,000,000
- (b) Improvement Area No. 2: \$ 50,000,000
- (c) Improvement Area No. 3: \$ 55,000,000

It is further necessary to incur, and the City Council hereby declares its intent to incur, debt (as defined in the Act), in one or more series, within the boundaries of the proposed Improvement Areas, although any such debt shall not be subject to the limitations on bonded indebtedness set forth above; and be it

FURTHER RESOLVED, That the bonded indebtedness and other debt is proposed to be incurred for the purpose of financing the costs of the Facilities, including acquisition and

construction costs and all costs incidental to or connected with the accomplishment of said purposes and of the financing thereof, as permitted by Section 53345.3 of the Act; and

RESOLVED, That the City hereby declares that it reasonably expects (i) to pay certain costs of the Facilities prior to the date of issuance of the bonded indebtedness and other debt and (ii) to use a portion of the proceeds of the bonded indebtedness and debt for reimbursement of expenditures for the Facilities that are paid before the date of issuance of the bonded indebtedness; and be it

FURTHER RESOLVED, That it is the intention of the City Council, acting as the legislative body for the CFD with respect to each of the Improvement Areas, to cause bonds and other debt of the City to be issued for the CFD with respect to each of the Improvement Areas pursuant to the Act to finance in whole or in part the construction and/or acquisition of the Facilities. The bonds and other debt shall be issued in one or more series and bear interest payable semi-annually or in such other manner as the City Council shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such bonds and other debt, and shall mature not to exceed 40 years from the date of the issuance thereof; and be it

FURTHER RESOLVED, That on November 16, 2021 at 1:30 p.m. or as soon as possible thereafter, in the Council Chambers, 1 Frank H Ogawa Plaza, Oakland, California (or via teleconference as may be mandated by State or County emergency health orders), be, and the same are hereby appointed and fixed as the time and place when and where this Council, as legislative body for the CFD, will conduct a public hearing on the proposed debt issue and consider and finally determine whether the public interest, convenience and necessity require the issuance of bonds and other debt of the City on behalf of the CFD with respect to the Improvement Areas; and be it

FURTHER RESOLVED, That the City Clerk is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper of general circulation circulated within the CFD. The publication of the notice shall be completed at least seven days before the date specified above for the public hearing. The notices shall be substantially in the form specified in Section 53346 of the Act; and be it

FURTHER RESOLVED, That the City Council hereby adopts Staff's findings under CEQA that: (1) no supplemental or subsequent environmental review is required for the Project pursuant to CEQA Guidelines sections 15162 and 15163 because the formation of the CFD carries out the requirements of the Oak Knoll Project and (2) the formation of the CFD is also exempt under CEQA Guidelines sections 15183, 15301, and 15308; and

FURTHER RESOLVED, That this Resolution shall in no way obligate the City Council of the City to form the CFD or to issue bonds or other debt for the CFD. Issuance of the bonds or other debt shall be subject to the approval of this City Council by resolution following the holding of the public hearing referred to above; and be it

FURTHER RESOLVED, That this Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California