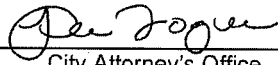


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OAKLAND

21 OCT -7 PM 12:57

Approved as to Form and Legality


City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. 88874 C.M.S.

RESOLUTION AMENDING AND SUPERSEDING RESOLUTION NO. 88718 C.M.S., WHICH AUTHORIZED THE USE OF ONE-TIME REVENUES TO BALANCE THE FISCAL YEARS 2021-23 BIENNIAL BUDGET PURSUANT TO SECTION 1, PART D OF THE CITY OF OAKLAND CONSOLIDATED FISCAL POLICY (ORDINANCE NO. 13487 C.M.S.), TO UPDATE THE AMOUNT OF ONE-TIME REVENUE THE CITY RECEIVED UNDER THE AMERICAN RESCUE PLAN ACT AND THE AMOUNT OF ONE-TIME REVENUE USED TO BALANCE THE FISCAL YEARS 2021-23 BIENNIAL BUDGET.

WHEREAS, the City's local economy and ongoing tax and fee revenues were severely and negatively impacted by the COVID-19 pandemic; and

WHEREAS, the City Council desires to provide to the residents the highest service level possible with existing ongoing and one-time revenues; and

WHEREAS, on March 11, 2021, President Biden signed into law the American Rescue Plan Act (ARPA) of 2021, which provided, among other things, additional funding for local governments to address the continued impact of the COVID-19 pandemic on the economy, public health, local governments, businesses and individuals; and

WHEREAS, on April 12, 2021, the City Council adopted Resolution No. 88574 C.M.S., which, among other things, accepted and appropriated an anticipated award of ARPA funds in the amount of One Hundred Ninety-Two Million, Eighty-Four Thousand, One Hundred Five Dollars (\$192,084,105) as one-time funds that could be used for replacement of lost revenue due to the impact of COVID-19 on the local economy; and

WHEREAS, after the City Council adopted Resolution 88574 C.M.S., the City learned that it would receive One Hundred Eighty-Eight Million Eighty-One Thousand, Seven Hundred Dollars (\$188,081,700) in ARPA funds instead of the anticipated \$192,084,105; and

WHEREAS, on June 24, 2021, the City Council adopted Resolution 88721 C.M.S., which amended and superseded Resolution 88574 C.M.S. to, among other things, accept and appropriate the actual amount of one-time funds the City received under the American Rescue Plan Act; and

WHEREAS, Resolution 88721 C.M.S. also revised the amount of ARPA funds that was authorized for use in Fiscal Year 2020-21 and thus changed the remaining amount available to balance the Fiscal Years 2021-23 Biennial Budget to One Hundred Fifty-Five Million, Twenty-Four Thousand, Four Hundred Eighteen Dollars (\$155,024,418); and

WHEREAS, on June 24, 2021, the City Council adopted the Fiscal Years 2021-23 Biennial Budget (Resolution 88717 C.M.S), which allocates Thirty-Five Million, Three Hundred Forty-Seven Thousand, Three Hundred, Sixty-Four Dollars (\$35,347,364) in one-time revenues from other sources to fund ongoing expenses; and

WHEREAS, on June 24, 2021, the City Council adopted Resolution 88718 C.M.S., authorizing the use of one-time revenues to balance the Fiscal Years 2021-23 Biennial Budget; and

WHEREAS, budget staff recently discovered that Resolution 88718 C.M.S. was not updated, prior to adoption by City Council, to reflect the final ARPA allocation (\$188,081,700) or the final amount of ARPA funds allocated to balance the Fiscal Years 2021-23 Biennial Budget (\$155,024,418);

WHEREAS, Resolution 88718 C.M.S. also does not include the final amount of other one-time revenues allocated to fund ongoing expenses in the Fiscal Years 2021-23 Biennial Budget (\$35,347,364) as this number could only be calculated after the budget was adopted and staff had time to verify and implement Council amendments; and

WHEREAS, budget staff now seeks to replace Resolution 88718 C.M.S. with this Resolution which contains the correct amount of ARPA funds received by the City and authorizes use of the correct amount of one-time revenue to balance the Fiscal Years 2021-23 Biennial Budget; and

WHEREAS, on December 9, 2014, City Council adopted the City of Oakland Consolidated Fiscal Policy (Ordinance No. 13279 C.M.S.); and

WHEREAS, on May 15, 2018, the Consolidated Fiscal Policy was amended to establish and modify the financial policies and budgeting practices of the City of Oakland (Ordinance No. 13487 C.M.S.); and

WHEREAS, the Consolidated Fiscal Policy sets forth, among other things, guidelines for the use of one-time revenues; and

WHEREAS, Section 1, Part D of the Consolidated Fiscal Policy provides that any unrestricted one-time revenues shall be used to fund one-time expenditures, to fund debt retirement and unfunded long-term obligations such as negative fund balances, Police and Fire Retirement System (PFRS) unfunded liabilities, CalPERS pension unfunded liabilities, paid leave unfunded liabilities, and Other Post-Employment Benefits (OPEB) unfunded liabilities or shall remain as fund balance; and

WHEREAS, Section 1, Part D of the Consolidated Fiscal Policy provides further that the use of unrestricted one-time revenues for any purpose other than those set forth in Part D must be authorized by City Council resolution; and

WHEREAS, it is necessary to use One Hundred Fifty-Five Million, Twenty-Four Thousand, Four Hundred Eighteen Dollars (\$155,024,418) of ARPA funds to replace lost revenue, fund one-time and ongoing expenses, and balance the FY 2021-23 Biennial Budget; and

WHEREAS, it is necessary to use Thirty-Five Million, Three Hundred Forty-Seven Thousand, Three Hundred, Sixty-Four Dollars (\$35,347,364) in one-time revenues from other sources to fund ongoing expenses and balance the FY 2021-23 Biennial Budget; now therefore be it

RESOLVED, That the City Council finds and determines that the foregoing recitals are true and correct; and be it

FURTHER RESOLVED, That the City Council hereby authorizes the use of \$155,024,418 of ARPA funds and \$35,347,364 in one-time revenues from other sources to balance the FY 2021-23 Biennial Budget and to fund one-time and on-going expenses as set forth in the adopted FY 2021-23 Biennial Budget in light of the adverse financial conditions caused by the COVID-19 crisis; and be it

FURTHER RESOLVED, That the City plans to return to using one-time revenues for the purposes set forth in Section 1, Part D of the Consolidated Fiscal Policy once the City's revenues have recovered; and be it

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

3112917v2

IN COUNCIL, OAKLAND, CALIFORNIA,

OCT 19 2021

PASSED BY THE FOLLOWING VOTE:

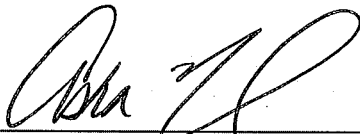
AYES - GALLO, KALB, KAPLAN, REID, TAYLOR, THAO, AND PRESIDENT FORTUNATO BAS — 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:


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