

DRAFT

City Attorney's Office

# OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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**RESOLUTION AMENDING THE CITY'S DEBT MANAGEMENT POLICY  
TO INCLUDE A GENERAL OBLIGATION BOND POLICY TO MAINTAIN  
THE AD VALOREM PROPERTY TAX RATES LEVIED BY THE CITY AT  
OR BELOW THE FISCAL YEAR 2022-2023 RATE TO SERVICE VOTER-  
APPROVED INDEBTEDNESS WITH RESPECT TO FUTURE CITY  
GENERAL OBLIGATION BOND ISSUANCES**

**WHEREAS**, in 2015, Mayor Libby Schaaf proposed, and the City Council adopted the creation of Oakland's first Department of Transportation; concurrently, the Mayor proposed an infrastructure bond program, modeled on San Francisco's, that would provide new, renewable bond resources to address Oakland's mounting deferred maintenance and road repair backlog; and

**WHEREAS**, the 2016 Infrastructure Bond Ordinance ("Measure KK") was approved by more than two-thirds of the qualified voters of the City at the November 8, 2016, Statewide General Election; and

**WHEREAS**, the City Council (the "Council") of the City of Oakland (the "City") adopted its Oakland Debt Management Policy via Resolution No. 86786 C.M.S on June 20, 2017 (the "Debt Management Policy"); and

**WHEREAS**, the Council desires to amend the Debt Management Policy to include general guidelines ("GO Bond Standard") that establishes a goal to maintain the ad valorem property tax rate levied by the City to service its voter-approved indebtedness during each year the City's general obligation bonds are outstanding at or below the estimated Fiscal Year 2022-2023 tax rate of 0.22%, as projected by the City on the date of each series of bonds issued, by issuing new bonds as older bonds are retired and/or as the tax base grows; and

**WHEREAS**, property tax rates may vary based on other factors, and the objectives of the GO Bond Standard may not be met; and

**WHEREAS,** the GO Bond Standard shall not be construed as impairing or limiting the obligation of the City to levy taxes as necessary to pay principal and interest on general obligation bonds issued by the City and as authorized by applicable law; now therefore be it

**RESOLVED:** That the Council hereby amends the Debt Management Policy to establish the GO Bond Standard and make certain other changes thereto in connection therewith, and hereby adopts the revised Debt Management Policy attached hereto as Exhibit A; and be it

**FURTHER RESOLVED:** That the Council hereby finds and determines the forgoing recitals are true and correct and hereby adopts and incorporates them into this Resolution; and be it

**FURTHER RESOLVED:** The GO Bond Standard may be amended by the Council as it deems appropriate from time to time in the prudent management of the debt of the City; and be it

**FURTHER RESOLVED:** Any approval of general obligation bonds or other bonds by the Council, or the issuance of said bonds by the City, that is not consistent with the GO Bond Standard shall constitute a waiver of the GO Bond Standard in the Debt Management Policy; 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